

# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, MARCH 14, 1935

## INSURANCE COMPANY OF NORTH AMERICA

Philadelphia, Pa.

*America's Oldest Fire and Marine Insurance Company*

Financial Statement, December 31, 1934

ASSETS	LIABILITIES
Bonds and Stocks.....\$70,546,366.79	Reserve for Unpaid Losses .....\$ 5,720,482.60
Mortgages on Real Estate..... 24,425.00	Unearned Premium Reserve..... 19,815,715.17
Accrued Interest..... 326,097.35	Deposits Reclaimable on Perpetual Policies..... 878,610.39
Real Estate Philadelphia and New York City... 5,513,769.78	Reserve for Taxes and Other Expenses..... 2,028,113.69
Cash in Banks and Office..... 5,461,470.95	Dividend Payable Jan. 15, 1935..... 1,200,000.00
Premiums in Course of Collection..... 3,166,626.07	Cash Capital..... 12,000,000.00
Reinsurance Claims on Losses Paid..... 77,141.63	Surplus..... 43,484,211.02
Accounts Receivable... 11,235.30	
<u>\$85,127,132.87</u>	<u>\$85,127,132.87</u>

Capital plus Surplus constitutes Policy Holders' Surplus, \$55,484,211.02

THE SECURITY VALUES USED IN THIS STATEMENT ARE MARKET VALUES AS OF DECEMBER 31, 1934

# HARTFORD ACCIDENT AND INDEMNITY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1934

## ASSETS

*A well-managed insurance company always has ample reserves in cash and securities to pay its liabilities. The Hartford Accident and Indemnity Company has:*

UNITED STATES GOV'T BONDS AND TREASURY NOTES	\$8,869,199.00
BONDS OF OTHER GOVERNMENTS	724,500.00
BONDS OF STATES, TERRITORIES AND MUNICIPALITIES	7,964,135.00
BONDS OF RAILROADS, PUBLIC UTILITIES, INDUSTRIAL AND MISCELLANEOUS	10,688,890.00
STOCKS	6,604,828.00
Of banks, public utility companies and other corporations of high standing.	
REAL ESTATE, MORTGAGES, ETC.	576,141.76
Real Estate owned by the Company and loans secured by first mortgages.	
CASH IN OFFICES AND BANKS	5,513,614.91
An asset that is immediately available.	
PREMIUMS IN COURSE OF COLLECTION	6,241,977.90
Money due from agents and policyholders on policies issued within the past ninety days.	
INTEREST ACCRUED	334,190.97
Interest earned on all bonds to date but not yet due to be paid.	
SUNDRY ASSETS	624,585.45
Various assets amply secured.	
<i>Total Admitted Assets</i>	<u>\$48,142,062.99</u>

## LIABILITIES

To meet present obligations we are prepared to pay:

FOR THE SETTLEMENT OF CLAIMS AND SUITS	\$20,078,335.00
A liberal estimate is made of the amount that will be required to pay each individual claim as it is reported and this sum represents the total of these estimates.	
FOR UNEARNED PREMIUMS	12,764,328.99
This sum is reserved to provide for return premiums on policies which may be terminated after this date and for future losses on policies in force.	
FOR COMMISSIONS	1,239,094.44
These commissions are due to agents on uncollected premiums when the premiums shall have been remitted to the Company.	
FOR TAXES	703,227.01
Payable in 1935 for State Tax on premiums, and any other taxes that may be due.	
FOR SUNDRY BILLS	77,322.22
Office expenses for which bills were not rendered in time to be paid in December, 1934.	
FOR DOUBTFUL REINSURANCE CLAIM RECOVERIES	83,441.86
FOR VOLUNTARY RESERVE	3,196,313.47
	<u>\$38,142,062.99</u>
CAPITAL PAID IN	\$3,000,000.00
NET SURPLUS OVER ALL LIABILITIES	<u>\$7,000,000.00</u>

\$10,000,000.00

\$48,142,062.99

**TOTAL CAPITAL AND SURPLUS - - - \$10,000,000.00**

All Bonds and Stocks are valued at actual market quotations as of December 31, 1934.

# The National Underwriter

Thirty-Ninth Year—No. 11

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 14, 1935

\$4.00 Per Year, 20 Cents a Copy

## Copies of Code Eagerly Studied

Changes in Illinois Made After Hearings Appear in Legislative Measure

## LANGUAGE IS IMPROVED

Few Victories by Those Who Sought Modifications—Compensation Still Forbidden to Life Companies

SPRINGFIELD, ILL., March 13.—Hearings on the new Illinois insurance code will be held before the senate insurance committee March 20 at 2 p. m. and March 27 at 2 p. m. In the house it is referred to the committee of the whole and it is set as a special order for March 27 at 10 a. m.

Copies of the revised Illinois code as introduced in the Illinois legislature became available early this week and were eagerly studied by those interested in changes from the original draft. Those dissatisfied with the code as presented to the legislature may still secure changes. It will be considered by the house in committee of the whole in about three weeks. In the senate it has been referred to the insurance committee and hearings are scheduled by that committee in about three weeks.

### Two Victories on Changes

In securing changes from the original draft, Chicago Lloyds, represented at the code hearings by Senator Charles S. Deneen, won the only complete victory. "Or" was changed to "and" in defining the coverages they can write, and they can now continue to sell fire and casualty lines, instead of choosing between them. Their business is about evenly divided.

Another victory was won by the Alfred M. Best Company, which opposed the requirement of a license for advisory rating organizations. The license provision does not appear in the code bill, but there is a provision for investigation by the director of insurance, with prosecution by the attorney-general when it appears that fraud has been committed or is about to be committed by an advisory rating organization. Insurance counselors also escape the license provision, but are grouped with the rating organizations in the provision for prosecution. Newspapers which answer insurance questions are excepted.

What might be regarded as a victory for many companies was the omission of the clause forbidding operation in Illinois to any company that writes business in a state in which it is not licensed.

London Lloyds probably will find little disturbance to their business from the revised code. It provides that "any foreign or alien Lloyds association which is now authorized to transact

(CONTINUED ON PAGE 36)

## All Embrasive Form Needs Fire and Casualty Accord

NEW YORK, March 13.—Executives who favor the use of a comprehensive policy that would grant coverage to householders and owners of mercantile properties against a multiplicity of hazards continue their efforts to formulate a contract that will supply what is regarded as the public demand, and that will conform to the laws of the different states.

Before greater headway is made closer cooperation than now exists must be brought about between the fire and casualty companies. While each division has its governing body, what apparently is lacking is a liaison officer having the power and ability to bring the two interests together.

### Complain of Encroachment

Both in fire and casualty complaint is made of the encroachment of the marine companies. The latter either possess a keener appreciation of market needs and a willingness to furnish them, or by virtue of their freedom from regulations, have been getting a choice volume of business, a considerable amount of which should be handled by either fire or casualty offices.

In the casualty field it is contended companies using O. L. & T. covers as a base, might include therein indemnity

against loss for a number of hazards not now granted, and yet which would be appreciated by assured.

Some alarm has been voiced in agency circles lest the trend toward comprehensive policies would reduce their compensation. Proponents of the plan scout this idea, maintaining that, on the contrary, the sale of enlarged contracts would increase commissions and reduce sales resistance. Property-owners, the theory is, would be far more willing to buy a policy indemnifying for virtually any form of loss than they would to purchase a half-dozen or more forms of protection specifically written and charged for.

### To Introduce Rate Bill

Insurance Director Palmer of Illinois announces that the fire and casualty rate regulation measure, which was removed from the proposed Illinois insurance code, will be introduced in the legislature in the next two or three weeks. The measure caused so much antagonism when it appeared in the proposed code that Mr. Palmer had it removed and announced that it would be introduced separately, so as not to endanger passage of the code.

## Premium Leaders Are Shown

One of the interesting exhibits in the "Argus Fire Chart" published by THE NATIONAL UNDERWRITER, which will be distributed within a few weeks, is the table showing the ranking of fire companies according to their total net premium income in 1934. The 30 leaders in this respect are given.

Several interesting changes in relative positions take place as a result of last year's operation. The General Exchange, a subsidiary of General Motors, jumps from 13th place to sixth with an increase of about 60 percent in premium income. This is explained by the fact that last year the General Motors Acceptance Corporation insisted that borrowers carry collision insurance as well

as fire and theft. Also, there was an increase in the sale of new cars.

The Swiss Reinsurance now is among the leaders, being 27th. The explanation is that last year the Swiss Reinsurance took over the business of the Prudential Re- and Co.

The Pearl appears for the first time among the leaders, having taken 28th place.

The Fire Association advanced several notches from 21st to 17th.

Following is the showing of the 30 leaders last year, together with their relative ranking in every year since 1929, the figures being taken from the new 1935 "Argus Chart" which is now being compiled:

	1934	1934	Rank in	Premiums	Written
	Premiums	Losses	1934	1933	1932
Home .....	\$37,372,594	\$18,456,357	1	1	1
Hartford .....	32,729,061	15,234,029	2	2	2
Insur. Co. N. A. ....	22,046,874	9,577,433	3	3	4
Continental .....	19,634,561	9,109,292	4	4	5
Aetna .....	16,767,664	7,611,182	5	5	6
General Exchange .....	16,016,560	7,337,618	6	13	14
Fidelity-Phenix .....	15,606,779	7,663,674	7	6	7
Fireman's Fund .....	13,928,303	6,511,527	8	9	10
Great American .....	13,150,303	6,250,942	9	8	9
National Conn. ....	13,000,322	6,040,416	10	10	8
St. Paul F. & M. ....	12,428,891	5,932,578	11	12	12
American, N. J. ....	11,352,465	6,306,900	12	7	13
Springfield F. & M. ....	11,131,001	4,961,120	13	14	11
Firemen's N. J. ....	10,758,887	4,807,278	14	11	20
Travelers Fire .....	10,072,257	3,755,501	15	15	19
U. S. Fire .....	9,504,414	4,241,909	16	16	15
Fire Association .....	8,775,241	3,742,420	17	21	23
Royal .....	8,597,717	3,824,094	18	17	17
L. & L. & G. ....	8,405,572	3,685,389	19	18	16
Phoenix, Conn. ....	7,949,105	3,285,371	20	19	18
Automobile .....	7,319,736	3,165,922	21	23	28
North British & M. ....	6,906,349	2,950,440	22	20	27
Queen .....	6,819,937	3,110,840	23	22	24
National Union, Pa. ....	6,205,755	2,675,231	24	25	31
Glens Falls .....	6,118,241	2,586,431	25	26	30
Westchester .....	6,079,980	3,295,124	26	24	30
Swiss Reins. ....	6,027,197	3,799,960	27	27	29
Pearl .....	5,841,067	1,453,420	28	28	25
North River .....	5,816,142	2,778,636	29	27	26
Commercial Union .....	5,593,141	2,846,943	30	28	25

## Reasons Searched for Loss Record

Fire Insurance People at Loss to Produce Convincing, Adequate Explanation

## MANY THEORIES VOICED

Much Weight Placed on Notion Debt-Burdened Operators Are Watching Fire Hazard Carefully

NEW YORK, March 13.—Executives that make a particular study of the moral aspect of large risks still contend that the improved loss situation the country over is attributable in considerable degree to depressed economic conditions. The situation belies the hitherto accepted notion that losses keep pace, both up and down, with general business developments.

The situation during the depression has differed markedly from previous experience, in that merchants and manufacturers in virtually every section and in almost every line, have been hard pressed financially and compelled to get substantial loans either private or government. Heavily mortgaged assured recognize that if their properties burn the fire insurance would be paid to creditors and the merchant or manufacturer left stranded. Rarely would they be able to enlist new capital or to get a further line of credit sufficient to warrant reengaging in business.

As a consequence, the average property holder became impressed with the necessity to prevent fire loss and adopt safeguards.

A notable example has been the experience of a leading industry in the northwest, which prior to 1932 had proven a losing proposition to the insurance companies. In each of the past two years, however, the experience on the class has been very satisfactory. Virtually every one of the plants has borrowed to the limit from the banks and hence is fearful of fire. Suggestion from inspectors as to the installation of fire fighting equipment is welcomed and complied with.

### Other Explanations Heard

While this is undoubtedly one of the explanations for the low burning record of the country, it is of course, not the whole story. Fire insurance people are really at a loss to produce convincing and adequate explanations. The low loss record extends to almost every class. For instance, one of the companies specializing in church insurance reports that its loss on that class is the lowest in its experience.

Loss prevention work undoubtedly plays a part. The fact that a fire is not likely to be profitable to the average operator because of his indebtedness, probably causes many property owners to be better housekeepers and it

(CONTINUED ON PAGE 4)



## Another Bill to Curtail Unlicensed Operators Up

### FARLEY APPROVES MEASURE

Would Bar Mails to a Concern in Any  
State in Which It Is Not  
Licensed

A bill making it unlawful to solicit or effect insurance or collect and transmit premiums in any state without complying with its insurance laws has been introduced in the house by Congressman Hobbs of Alabama. It has been referred to the committee on post office and post roads.

It excepts renewal premiums on life insurance and accident and health contracts, and does not apply to newspapers, magazines or periodicals, or to contracts of reinsurance.

It has the approval of Postmaster General Farley who states that his department favors enactment of such legislation.

### Prosecution Now Difficult

He advises that the experience of the department has shown that the investigation and prosecution, under the present postal fraud statutes, of concerns and individuals conducting from one state through the mails in other states, questionable insurance enterprises is a difficult task. He says that without a doubt a great many people are victimized annually.

He states that by comparison with a bill along the same general lines previously approved in principle by the department, he finds this bill would afford a more simple and direct method of accomplishing the purpose of prohibiting the use of the mails to insurance companies soliciting business in states where they are not authorized to operate, thereby evading the state laws which provide for the protection of policyholders within those states.

Among the national organizations which, by resolution, are on record as favoring the movement to curtail the operations of unauthorized carriers by federal legislation prohibiting to them the use of the United States mails, are the National Convention of Insurance Commissioners, National Association of Insurance Agents, International Association of Insurance Counsel, Insurance Advertising Conference, National Association of Casualty & Surety Agents and American Association of Insurance General Agents.

### HEARING HELD WEDNESDAY

WASHINGTON, March 13.—The house post office committee at a hearing on the Hobbs bill today received a letter from Farley, strongly endorsing the measure and expressing his preference for it instead of the McSwain bill. The Hobbs bill was endorsed by Superintendent Marshall of the District. There will be another hearing March 18.

### Automobile Club Directors

SAN FRANCISCO, March 13.—The following directors of the National Automobile Club were reelected at the annual meetings: H. F. Mills, Aetna Fire; C. A. Bonner, Aetna Fire; William Deans, Selbach & Deans; Joy Lichtenstein, Hartford; A. T. Bailey, North British; A. M. Brown, Edward Brown & Sons; C. A. Craft, Phoenix Assurance; H. A. Benner, Great American and Phoenix of Hartford; R. H. Griffith, Glens Falls; Frank M. Avery, Fire Association, E. T. Cairns, Fireman's Fund.

### Miscellaneous Notes

A. M. Eppstein, president Oregon Automobile, Portland, was a New York City visitor this week.

At Dresden, Tenn., a new code of building and fire prevention regulation has been adopted, including an ordinance prohibiting wooden shingle roofs throughout the city limits.

## Home Official Dies



JOHN A. CAMPBELL

John A. Campbell, vice-president and secretary of the Home of New York, died at his home in New York after several months' illness. Mr. Campbell was born in 1878, and joined the Home as a clerk in the mailing department in 1895. After serving in the eastern and southern departments he was transferred to the western, where he served the greater part of his career, first as an examiner and then as an agency supervisor. In 1917 he was appointed assistant secretary, four years later was advanced to secretary and in 1927 he was made vice-president.

Mr. Campbell served on the governing and other important committees of the Western Underwriters Association, of which he was a former vice-president. He was also vice-president of the Western Hail & Adjustment Association and the Oil Insurance Association, as well as on the advisory committee for Arkansas.

Funeral services, which were semi-private, were held at the First Presbyterian church, Hackensack, N. J., Tuesday afternoon; all officials as well as many employees of the Home attending. A bachelor, Mr. Campbell is survived by a sister, Mrs. H. H. Bennett of Hackensack, and by a niece and four nephews. His two brothers died several years ago.

The B. C. Dixon Insurance Agency of Toledo has been incorporated by B. C. Dixon, Ara S. Dixon and Helen M. Mays.

## Commissioners' Meeting to Be Held July 9-11 in Seattle

### OLYMPIC CONVENTION HOTEL

Time Changed from June to Allow Attorneys to Attend American Bar Association in Los Angeles

C. A. Gough, New Jersey deputy commissioner and chairman of the executive committee of National Convention of Insurance Commissioners, and Secretary Jess G. Read, Oklahoma commissioner, have announced that the annual meeting will be held July 9-11 in Seattle. The Olympic hotel has been selected as headquarters. Arrangements have been completed for a special train out of Chicago, to arrive in Seattle Sunday, July 7.

### Reason for Changes

At the meeting in St. Petersburg last December, the annual meeting was set for June. The reason for changing to July, Secretary Read states, is to permit many insurance attorneys to attend the commissioners' meeting and the annual meeting of the American Bar Association in Los Angeles the week of July 16.

From the large number of inquiries already received by Secretary Read, attendance promises to exceed that of any meeting in the history of the organization. He states that reservations should be made direct with the hotel manager.

The governor and chief justice of the supreme court of Washington and the mayor of Seattle will be on the convention program.

## Uniform Reductions Under Valued Form Are Adopted

NEW YORK, March 13.—With the approval of the department a uniform scale of reductions in the value of automobiles has been adopted by all companies writing fire and theft covers under the valued form in this state, including the dozen or more non-affiliated offices.

The schedule is: On an original list price of \$1,500 or under, 2 percent depreciation per month; on cars ranging in cost from \$1,501 to \$5,000, 1½ percent per month, and on machines listed at over \$5,000, 1 percent per month.

It is thought the manual reduction valued form of contract will be used in the following territories as defined in the manual of the National Automobile Underwriters Association: New York City, New York City suburban, Nassau county, Ossining, Queens, Suffolk and Westchester counties.

## Head Office Executives of Home Gain Advancement

### SEVEN PROMOTIONS LISTED

Beyer and Escott Now Vice-Presidents and Secretaries—Hill and Peterson Elected Secretaries

NEW YORK, March 13.—Several important advancements in the official head office staff of the Home of New York were voted by the directors this week.

The title of vice-president and secretary is now held by both Walter F. Beyer and Ivan Escott.

Ashby E. Hill and Leonard Peterson were elected secretaries. At the same time Mortimer E. Sprague, Arnold Grasse and William R. Van Nostrand were appointed assistant secretaries.

### Careers Are Set Forth

Mr. Beyer has been connected with the Home since 1919. He started with the St. Paul seven years before that. In 1928 he became assistant secretary of the Home and in 1931 secretary in charge of automobile.

Mr. Escott started as an inspector for the Indiana Inspection Bureau and was appointed Indiana special agent of the Home in 1913, in 1920 becoming assistant general inspector and in 1924, general inspector. He was later made general manager of the service department and last year he was made assistant secretary.

Mr. Peterson, after service with the Michigan Inspection Bureau, joined the Home as special agent in 1920. The next year he took charge of the Chicago improved risk department and in 1927 went to New York as assistant manager of the improved risk department. In 1930, he became division underwriter for the west and last year was elected assistant secretary.

Mr. Sprague was a noted football player at West Point. He has been with the Home since 1930, serving as special agent in the service department, assistant manager and supervisor.

Mr. Grasse has been with the Home since 1919 in the improved risk department. He was special agent in Chicago and then was transferred to New York as supervisor of the improved risk department. Later he was made manager.

Mr. Van Nostrand, in charge of state taxes and contracts, became connected with the Home when the New Brunswick became a member of the fleet in 1927.

### May Abolish N. J. Fund

TRENTON, March 13.—Two bills have been introduced in the New Jersey legislature to abolish the state insurance fund, which has been set aside for fire losses on buildings owned by the state. When the fund was started it was proposed to appropriate \$50,000 annually with a view of building up a reserve that would justify the state carrying its own insurance, but legislators have been indifferent to the fund, with the result that only \$390,000 has been appropriated over a period of 20 years. Interest on the money has brought the amount up to \$513,000. It is proposed to use the money for relief purposes and also to run the government.

### Bacon with Tokio, Stanadrd

C. A. Bacon, special agent assisting General Agent D. E. Chilcote in supervising for the Corroon & Reynolds companies in Missouri, Kansas, Arkansas and Oklahoma, April 1 will become state agent of the Tokio and its affiliate, the Standard of New York, in Illinois, Wisconsin and Minnesota, with headquarters in the Chicago branch office. In earlier years he was an inspector for the Missouri Rating Bureau, subsequently going into the Kansas field for the New York Underwriters.

## THE WEEK IN INSURANCE

Copies of revised Illinois insurance code are being eagerly studied this week. **Page 1**

Favorite pursuit of fire insurance people today is trying to produce adequate and convincing explanation of the loss record. **Page 1**

Greater accord between fire and casualty people must precede issuance of comprehensive policy. **Page 1**

Seven head office executives of the Home are advanced in rank. **Page 2**

Oklahoma agents hold mid-year meet. MacCurdy named acting president. **Page 3**

List of 30 fire insurance company leaders, in point of 1934 premium income, is presented. **Page 1**

Complete revision of personal effects floater forms, rates and rules being considered by Inland Marine Underwriters Association. **Page 8**

National Convention of Insurance Commissioners to meet in Seattle July 9-11. **Page 2**

Another bill to bar the mails to unlicensed companies is introduced in congress and has received the approval of Postmaster General Farley. **Page 2**

The Indiana insurance code is signed by Governor McNutt. **Page 16**

A review of the casualty business last year shows improvement in workmen's compensation and an increased loss on automobile public liability. **Page 20**

Terms of model plan for granting coverage to uninsured risks, as drafted by National Council on Compensation Insurance, are set forth. **Page 31**

Local accident and health clubs active in promoting National Accident and Health Insurance Week. **Page 29**

Because of row over whether mutuals should be permitted to write surety, important part of proposed West Virginia recodification fails. **Page 31**

New York department in examination report of National Bureau of Casualty & Surety Underwriters, criticizes equity rating procedure. **Page 20**

Reinsurance facilities of London Lloyds are expected to be denied to cut rate companies under new rapprochement with American companies. **Page 20**

New medical reimbursement health contract now being issued by Continental Casualty of Chicago. **Page 30**



## Oklahoma Agents in Mid-Year Meet

Addison Sessions Names George MacCurdy Acting President Until Fall

### DISCUSS LOCAL BOARDS

Finance Competition Condemned by Herbert J. Heiman—Compensation Bill Explained—Stewart Gives Talk

TULSA, OKLA., March 13.—An enthusiastic mid-year conference of the Oklahoma Association of Insurers was held here.

President Addison Sessions, Okmulgee, gave a resume of the association's accomplishments during the first six months of his term. He appointed George MacCurdy of Tulsa, vice-president of the group, to serve as acting president for the remaining six months before the fall convention.

Mr. MacCurdy discussed the HOLC policies, which was followed by an open forum. M. B. Breeding, president Oklahoma City Board of Insurers, reported on efforts to secure favorable insurance legislation at the current session of the Oklahoma legislature.

#### Discusses Finance Competition

Herbert J. Heiman, Oklahoma City, traced the steady decline of automobile fire and theft business, much of which is now being written by automobile finance companies. He minced no words in roundly berating those responsible for the decidedly unsatisfactory conditions which prevail. "However," continued Mr. Heiman, "we can not regain this business by sitting around and complaining, but we can and must render a distinctly superior service and organize public opinion against the kind of insurance and insurance service which goes with the car when it is financed." As part of his plan to bring this business back to the insurance men, where it rightfully belongs, Mr. Heiman described fruitful methods worked out by himself and others, supporting his remarks by exhibiting and explaining the use of a series of forms specially devised to cope with this difficulty in a forceful and successful manner.

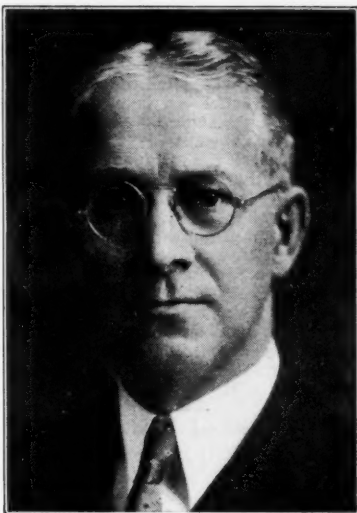
#### View Local Board Activities

Methods used in establishing and operating local boards were discussed by J. C. Kennedy, Lawton; M. B. Breeding, Oklahoma City, and W. F. Stahl, Tulsa. Mr. Kennedy told of the missionary and organization work being done in southwestern Oklahoma by himself and other members of the Lawton board. Mr. Breeding told of the thorough organization work which has been done in Arkansas and urged the formation of local boards in every city and town of Oklahoma. Mr. Stahl gave a detailed outline of the proper functions and scope of a local board. He discussed the regulations which must govern such boards and their members, explaining the operation of the Tulsa body and strongly urging the formation of well-organized local boards as one of the most efficacious methods of meeting insurance men's problems.

Prof. J. M. Maurer of the business administration department, University of Tulsa, explained the proposed new workmen's compensation law, which had been carefully drafted by a committee of which he was a member. He said it comprises the good features of similar bills submitted in other states.

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## Now Vice-President



W. J. LANGLER

W. J. Langler, secretary of the Rosia, was elected a vice-president of that company at the annual meeting. He is one of the best posted men from a technical point of view in the reinsurance business.

## Entertainment Program for Miami Meeting Announced

MIAMI, FLA., March 13.—R. C. Houser, general chairman of the entertainment committee for the mid-year meeting of the National Association of Insurance Agents, to be held at the Miami-Biltmore Hotel, March 18-21, announces the following program of social events and sports:

Tuesday, March 19: Banquet, 7:30 p.m.  
Wednesday, March 20: Sightseeing trip covering all points of interest in Great Miami, 1 to 3 p. m.; tea dance, 4:30 to 6 p. m.; dog races, West Flagler Track, 7:45 p. m.

Thursday, March 21: Swimming party at Roney Plaza Cabana Club, 9:30 a. m. to noon; golf, 2 p. m., or horse races at Tropical Park, 1:15 p. m.; jai alai games or entertainment at one of Miami's most popular night clubs, 8:30 p. m.

Serving with Mr. Houser on the entertainment committee are Mrs. Houser, Mr. and Mrs. George C. Stembler, the latter chairman of the ladies' entertainment committee, and Mr. and Mrs. Frank O. Pruett.

Mr. Houser points out that all those attending the convention who intend to go swimming while in Miami must bring bathing suits, as no arrangements have been made to supply these.

## Harold L. Miner for President

Harold L. Miner of Wilmington, Del., is the choice of the nominating committee of the National Fire Protection Association for president. The election is to be held at the annual meeting in Atlantic City the week of May 13. G. W. Elliott of Philadelphia is nominated for first vice-president; C. H. Haupt, Elizabeth, N. J., second vice-president; F. H. Wentworth, Boston, managing director; chairman of the board, A. T. Bell, Atlantic City. Nominations for the board are: Russell Grinnell, Providence; A. H. Kehoe, New York; C. W. Pierce, New York and John L. Wilds, Chicago.

The insurance people are Mr. Pierce, who is vice-president of the America Fore companies and Mr. Wilds, who is vice-president of the Protection Mutual and Mill Owners Mutual of Chicago.

The nominating committee for 1936 has been recommended as: R. P. Miller, chairman, A. L. Brown and Gorman Dana.

Chairman of this year's nominating committee is Eugene Arms of Chicago.

## Agents Find Great Need for Financial Reference Charts

In the times of prosperity assured were not in the mood to question the agent as to the companies he represented. The assured was not interested in the kind of company he was given. But during the past few years there has been a decided swing to the opposite extreme and insurance purchasers now show a great interest in scrutinizing carefully the standing of all companies, both large and small, in which they are placing or considering placing their business.

With the publication soon of the Argus Fire Chart and the Argus Casualty Chart, issued by THE NATIONAL UNDERWRITER, the figures showing financial statements and operating results of the fire and casualty companies for 1934 will become available in complete form. These charts are the most complete financial reference books published on stock and mutual companies, reciprocals and Lloyds. Figures are given in the Argus Charts on companies not shown in any other reference book. Orders should be sent to 420 East Fourth Street, Cincinnati.

#### Saves User's Time

The convenient set-up of the Argus Charts means quite a saving in time to the user. The completeness with which they are prepared and the large number of companies for which full data is shown insures that the agent, company or assured will be able to find the information desired.

The first exhibit in the Fire Chart is that which gives stock fire companies—American and foreign. Next are shown the mutual fire companies which also shows the lines they write—automobile, aircraft, fire, hail, marine or tornado. Then there is a grouping by states of the farm mutuals writing \$25,000 a year or more in premiums. This is followed by the exhibits of the reciprocals, inter-insurance exchanges and Lloyds, which also show the lines these carriers write.

The exhibits of the companies, besides showing the name, address, date incorporated, officers, departments, par value of stock and lines written, also include a showing of their financial condition which gives such items as assets, unearned premium reserve and surplus. Besides these items there is most complete information on the underwriting and investment operations of the companies. Shown are such items as: Net premiums written, losses paid and losses incurred including adjustment expenses, premiums earned, dividends paid, underwriting expenses incurred, and five sets of ratios showing ratio of premiums written to losses paid and incurred and to underwriting expenses paid and incurred and losses incurred to premiums earned.

## Would Hold Assured Liable for the Unpaid Premiums

In considering authorization of some plan for installment payment of the term premium, study is being made of a provision that would require the assured, in event of loss before the term has run, to pay the balance of the premium, which he would have paid had the premium not been commuted.

The plan which is being given the greatest consideration would provide for payment of the full annual premium the first year, in the case of a five year term policy, and payment of 75 percent of the annual premium for the final four years of the term.

However, some executives feel that the companies should insist that the assured, who is given this privilege of paying in installments, should not enjoy an advantage over an assured who pays the full amount at the inception of the policy, in the event of loss. That is, they feel

There is much other detailed information in the chart which makes it valuable and informative. The premiums and losses on the accessory lines of the stock companies appear in a separate table and another showing gives the amounts received from and remitted to the home offices of the United States branches of foreign companies. There is given a list which shows the states in which each stock company is licensed and a similar list is given for the agency mutuals operating in three or more states.

Another useful exhibit is a grouping of companies according to ownership or management. This also shows the premiums written for each member of the group as well as a total for the entire group. The names of the casualty companies in the group are given, with premiums written. The list showing where the companies are licensed is ingeniously used as an index, not only to the company fleet affiliations but to underwriters' agencies, a complete list of them being given.

#### Casualty Chart's Features

The Argus Casualty Chart gives the financial and operating information on stock and mutual companies, reciprocals and Lloyds, writing casualty or surety. For the stock companies it shows complete underwriting experience for each line, such as automobile liability, property damage, fidelity and surety, etc., written by each company. The Casualty Chart also shows the same valuable lists and exhibits for the casualty companies as are in the Argus Fire Chart for the fire companies.

The use of charts by companies and agents has been increasing materially during the past few years. The reason is, of course, that everyone is examining carefully the operations and the statements of the companies. One of the large groups, for example, sends out several thousand charts each year to a class of business men with whom it does a large volume of business. The agent usually receives printed statements from his own companies, but when he meets with questions on other companies he is at a disadvantage unless he has the Argus Chart. While most agents in the past have been content to get one or two charts furnished by their companies, many local agents are now finding it worth while to purchase a quantity of Argus Charts themselves to have on hand for their own use in soliciting and to distribute to their "pet" assured. The inexpensiveness of the Argus Charts and the fact that if a sufficient quantity is ordered the agency's "ad" is imprinted on the cover free of charge have led many agents to use this method to furnish their prospects and assured with up-to-date data on the companies.

## Finance Companies Seeking to Effect Standardization

Members of the insurance premium financing division of the National Association of Sales Finance Companies held a meeting in Cleveland recently in an attempt to develop a standard practice for premium financing, including standard forms, especially a standard form of notification to the insurance company. Sub-committees were appointed to handle various phases of the problems. The expectation is that recommendations will be made soon. C. R. Arbaugh of the Insurance Premium Finance Company of Cleveland is chairman of the committee.

that the assured who suffers a loss after having paid the second premium under the five year term policy should be liable for the premiums for the succeeding three years.

## NEWS OF THE COMPANIES

### Globe & Rutgers Statement

#### Full Details of Company's Financial Set-up Under Reorganization Plan Presented

The Globe & Rutgers Fire has issued its annual statement this week showing assets \$23,950,414, of which \$4,330,653 are bonds \$11,537,037 stocks, \$7,576,144 cash, of which \$5,575,463 is held in escrow for payment of claims and certain expenses of rehabilitation. The premium reserve is \$302,478; reserve for losses and loss expenses \$2,176,195; reserve for return premiums payable \$3,618,053; reserve for liability under foreign insurance treaties \$775,448; amount payable in cash and second preferred stock in respect to adjusted and unadjusted claims of creditors consenting to plan of rehabilitation \$3,808,155; reserve for other liabilities \$1,222,319. This makes total reserves under the rehabilitation process \$11,600,170. The loan from the RFC is \$6,495,500. Reserve for general contin-

gencies is \$250,000. In the capital structure there are 35,000 shares of \$4 cumulative first preferred stock par value \$15 or \$525,000. There are 20,269 shares, \$15 par value \$5 cumulative second preferred stock for \$307,086. There are 5,000 \$15 par value shares \$5 cumulative junior preferred stock for \$75,000. There are 80,000 shares \$15 par value common stock \$1,200,000, or a total of \$2,107,086. The net surplus is \$3,175,025.

In commenting on the policyholders surplus, \$5,282,111, the statement gives "admitted assets \$16,621,134," and "total liabilities except capital \$11,339,033." The difference between the filed figures and the "assets" and "total liabilities except capital" here shown represents, first, reserves and return premiums payable, \$3,618,053 and second, amount payable in cash and second preferred stock in respect to adjusted and unadjusted claims of creditors consenting to plan of rehabilitation, \$3,808,155, which are carried as liabilities instead of deductions from assets; third, other items aggregating \$96,928, which have been offset.

In commenting upon the resumption

of business by the Globe & Rutgers, Superintendent G. S. Van Schaick said that the insurance department was assured of the company's financial stability and that the reorganization plan was the fairest and most equitable that could be devised. He also feels that the company's management, underwriting and investment practices will be satisfactory, as it is directed by insurance executives in high standing. Since the first of the year substantially all adjustment claims against the company have been paid and the company has resumed business in all states where licenses have been issued. Licenses are being rapidly secured in other states.

Edward Brown & Son represent the company on the Pacific Coast, John K. Morrison, general agent, in Iowa, Kansas, South Dakota and Nebraska; Floyd West & Co., Texas, and George T. Wilson, general agent, in Florida. The rest of the territory will be directed from New York.

### New Central Fire Director

W. H. Meese has been elected a director of the Central Fire of Baltimore. He is vice-president and general manager of the Western Electric's Baltimore plant. He is one of the receivers for the United Railways & Electric

Company of Baltimore and past president of the Baltimore Association of Commerce.

### North America Correction

Due to a typographical error the assets for the North America were reported to have decreased \$4,269,528 in 1934. This should have been an increase.

### Company Notes

In a recent stock quotation article the par value of the Camden was given at \$20 whereas it is \$5.

The Farmers Mutual Fire of Burlington, Ky., is celebrating its 57th anniversary. It was organized under special legislative enactment in 1878.

Mill Owners Mutual Fire of Chicago is granted a certificate to operate in California, writing fire only with F. E. Slayter, general agent.

The Standard Fire of Trenton, N. J., has increased its dividend rate by paying a quarterly dividend of 50 cents a share, an increase of 10 cents, as compared with the two previous declarations.

## Reasons Searched for Loss Record

(CONTINUED FROM PAGE 1)

probably deters a good many from resorting to outright arson.

The fact that industries are not so active and rushed means that a good many of the industrial hazards are minimized, although during the pickup in business that has been manifest during the last year or so, there has not been an increase in fires. Replacement values, being lower, naturally mean that insurance losses are not so great.

An incidental feature is the fact that in many cities old buildings have been torn down, either to avoid taxation, to provide parking facilities, or as part of slum clearance projects. This eliminates a lot of firetraps. In some cities buildings that were always good for a fire or two a year are leveled to the ground.

### Ohio License Bill Favored

COLUMBUS, O., March 13.—The senate committee on insurance voted out unanimously this week the Metcalf agents qualification bill which is sponsored by the Ohio Association of Insurance Agents. This is Senate Bill 205 and amends sections 644 and 644-1 of the General Code. Attorney E. M. Griggs of the National Board in Chicago appeared before the committee stating he approved its general purposes but objected to some of the mandatory features. He said that the passage of the bill would make it difficult for companies to get agents in small towns where there is little income. He doubted whether these agents would come to Columbus to take an examination. Some question was raised in the discussion as to whether the bill is class legislation.

Insurance men held a field day in the Ohio senate Tuesday afternoon when a number of insurance bills which had been referred to the committee came up for consideration. The qualification bill specifically exempts life companies.

### Washington Rate Bill Passed

OLYMPIA, March 13.—With virtually no opposition, the bill giving the insurance commissioner wide powers in fixing fire insurance rates passed both houses of the Washington legislature and this week went to Governor Martin for final approval. Every indication is that the bill will be signed by the governor. The bill has been amended in several important respects, so that while it does give to the commissioner considerable additional authority on rate matters over what he now has, it is not considered harmful to the standard fire companies. The measure was originally designed to prevent the standard companies from lowering their rates so as to have the effect of preventing the payment of dividends to policyholders by participating companies.

# SPRINGFIELD SPOTLIGHTS

for  
1935

Watch building permits in your locality. New construction is making additional business available through

## AUTOMATIC BUILDER'S RISK INSURANCE

Become conversant with this coverage and be prepared to sell it. Be on the watch for your copy of a sales broadside on Builder's Risk being distributed by the "Springfield Group."



THE SPRINGFIELD GROUP OF FIRE INSURANCE COMPANIES

SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY

Chartered 1849 Cash Capital, \$5,000,000.00

SPRINGFIELD, MASSACHUSETTS

GEORGE G. BULKLEY, President

Harding & Lininger, Mgrs., Chicago. John C. Dornin, Mgr., San Francisco. W. E. Pindley, Mgr., Montreal

CONSTITUTION DEPARTMENT, Springfield, Massachusetts

SENTINEL FIRE INSURANCE COMPANY, Springfield, Massachusetts

MICHIGAN FIRE & MARINE INSURANCE COMPANY, Detroit, Michigan

NEW ENGLAND FIRE INSURANCE COMPANY, Pittsfield, Massachusetts





By this Policy of Insurance the **Aetna Insurance Company**  
in consideration of \_\_\_\_\_ Forty \_\_\_\_\_ \$40 Dollars

to ensure U. S. Grant, President of the United States

**Against Loss or Damage by Fire to the Amount of**

Two Thousand Dollars as follows  
\$500 On his two story frame shingle log dwelling occupied by the  
Superintendent of farm

100 On His Own Strong frame Granary and Barns. Horse

650 On. His one very frame bow stable and.

180 On His Own and Our Hall Many from the Horse Stable and the

Situated on his farm at Grants Station St Louis

\$2000 Other Insurance on Same in Franklin Twp

CHOSEN BY A PRESIDENT  
★

Both great and small, the famous as well as the obscure have chosen the *Ætna* for 116 years.

AND THE SAID COMPANY do hereby promise and agree to make good unto the said assignee, or the executors, administrators, and assigns of the assignee,

to amount the sum insured, shall happen by fire to the property, as above specified, from the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_

[illegible]

THIS POLICY SHALL NOT BE VALID UNTIL COUNTERSIGNED BY THE SOLE AUTHORIZED AGENT OF SAID AETHA INSURANCE COMPANY, AT

IN WITNESS WHEREOF, THE AETNA INSURANCE CO. have caused these presents to be acknowledged by the names of their President and Secretary, of the City of Hartford, Connecticut.

*J. G. Sullivan* Secretary.  
COUNTERSIGNED at St Louis ...this 20<sup>th</sup> day of  
May A. D. 1876 }  
*A. J. Hendon* President.  
*N. S. Snow* Age \_\_\_\_\_

## Bennett's Fear of Company Move Is Called Unfounded

REPORT HAD BEEN DENIED

Credence Not Generally Placed in Rumor of Scheme to Freeze Agent Out of Big Lines

NEW YORK, March 13.—In the course of a recent review of the drift toward fire company pooling arrangements, Secretary W. H. Bennett of the National Association of Insurance Agents states: "The thought has even been advanced that it might be possible to organize and operate a non-agency fire company for the writing of big lines, which would do business only through brokers who would receive their compensation from the assured."

The basis for this statement is probably the story current here some months ago, that one of the powerful group organizations planned forming a subsidiary company to write on a free lance basis, and to cater particularly to brokers controlling heavy schedules. The tale was promptly denied by those credited with the idea, since which time nothing further has been heard of the matter.

Many years ago a number of brokers of this city conceived the idea of forming a company of their own, inasmuch as they controlled the placing of probably 80 percent of the fire risks of the community at the time. A company was actually launched to put the theory into practice, and the services of a then well-known foreign fire company executive secured as its head. The institution spluttered along for a few years, getting nowhere, and was finally wound up.

Mr. Bennett cited the tendency toward segregation of big lines in a num-

ber of pools. He mentioned the Interstate Underwriters Board, the factory, cotton, grain and oil pools, then went on to mention the rumor that the formation of a big nonagency fire company to handle brokerage lines is being pondered.

He referred to the plan now being considered by some of the fire companies that have casualty affiliates, to issue a householder's comprehensive policy broader than anything yet devised, which would be sold at a greatly reduced rate of commission. He contended that to write such a policy state laws would have to be amended and he hinted that political influence of agents might be thrown against such amendment.

Mr. Bennett stated that the agent's income had been pared down through inland marine coverages, chain store operations, and that if he is to lose other big lines he will be left with only small mercantile and dwelling business.

"It takes salesmanship to obtain a big risk, and continuous, intelligent service to hold it, and commissions should be commensurate with the ability displayed," according to Mr. Bennett.

### Cooney to Talk to Men

NEWARK, March 13.—John R. Cooney, president of the Firemen's group, will be the guest speaker at the luncheon-meeting of the Advertising Club of Newark, March 20.

### Work of Providence Department

The Providence, R. I., fire department made 200,000 inspections last year. There were 210 dilapidated buildings removed. A school for janitors was conducted by the department.

Frank Kertz, formerly head of the Frank Kertz Agency in Buffalo, is now associated with Frank Seymour as manager of the fire insurance department.

## Some Historical Spots in Loss Adjusting Reviewed

In the Western Adjuster's 50th anniversary booklet some historical facts are given that will be of interest to all in the business. In 1853 proof of loss blanks were first prepared at Cincinnati. Prior to this proofs of loss had been written out for each case. It was not until 1864 that numbered policies came into use. The Chicago fire of 1871 caused a property loss of \$200,000,000, but the losses were adjusted and though many companies failed, 53 paid in full. The losses were largely adjusted by home office officials sent to Chicago for the purpose. The gravity of the situation suggested cooperation. In the early days of adjusting in the central west most of the work was done by the field man.

### Loss Committee Scheme

The first effort to form an adjusting organization was made at Cincinnati in 1875, when the interests chose from among their number a loss committee with power to make adjustments. The same system spread to other large cities, including Chicago, except there was no permanent committee, but instead a meeting of interested agents or companies which elected a chairman. This development led the committees to appoint some company adjuster as representative of all. This practice fell into disfavor because it was found that sometimes a particular company whose adjuster was employed gained not only friendship but business as well through liberality at the expense of all.

### Each Company Had Its Adjuster

Then came a time when every company appointed its own adjuster. This led to a situation where 20 or 30 men were representing the various companies. The next step was the adoption of a practice whereby these representatives

held meetings and chose one or two members to carry on negotiations, reporting back at intervals to the whole committee. To have so many men idle, awaiting an adjustment meant a serious expense to the companies. In those days adjusters seemingly desired to settle as cheaply as possible and all kinds of technicalities were used to force adjustments down.

In 1879 the Western Union was organized with headquarters at Chicago, followed in 1881 by the Fire Underwriters Association of the Northwest, and in 1882 by the Illinois State Board. This began the day of associations and organizations. The idea of forming an adjustment bureau was conceived in Chicago and the Western Adjustment started in 1885. The bureau idea of adjusting losses was not received with enthusiasm because by 1900 the bureau had succeeded in establishing only four branch offices and had but 30 members. The booklet states that the progress was opposed tooth and nail by special and local agents. There was good pay to be earned in adjusting losses and as a consequence the country had become dotted with independent adjusters located very naturally in the larger cities. Moreover, field men had found it lucrative to do adjusting on the side.

### General Adjustment Started

The General Adjustment Bureau was organized in 1906 in the east, followed by the Southern Adjustment in 1909 and the Pacific Coast Adjustment in 1911. The Western Insurance Bureau had been organized. By 1907 the Western Adjustment had over 100 companies, comprising both union and bureau. The Western Insurance Bureau felt that the Western Adjustment had too strong a flavor of union companies and in 1919 the Underwriters Adjusting Company of Chicago was organized, largely by bureau companies. The next step in organized adjustment was the establishment of the Cook County Loss Adjustment Bureau in 1925 to take over the adjustments in Chicago and Cook county.

# GENERAL INSURANCE COMPANY OF AMERICA

HOME OFFICE :: SEATTLE

H. K. DENT, President

## ANNUAL STATEMENT

DECEMBER 31, 1934

### ASSETS

Cash in Banks and On Hand.....	\$ 930,362.51
Government Bonds .....	1,174,670.00
(At market value December 31)	
Other Bonds .....	4,322,307.00
(At market value December 31)	
Stocks .....	1,021,736.00
(At market value December 31)	
Mortgage Loans .....	393,603.14
Real Estate .....	26,643.18
Premiums in Process of Collection.....	915,389.22
Accrued Interest .....	82,007.72
Other Admitted Assets.....	23,860.87

TOTAL ASSETS ..... **\$8,890,579.64**

NOTE: Cash and Government Bonds alone total \$2,105,032—or double the amount of the company's losses incurred during entire year of 1934.

### COMPARISON WITH PREVIOUS YEAR

	1933	1934	INCREASE
Net Premiums Written.....	\$2,599,147	\$4,139,615	\$1,540,468
Unearned Premium Reserve.....	2,669,174	3,614,203	945,029
Policyholders' Surplus .....	3,131,222	3,857,656	726,434
Assets .....	6,942,449	8,890,579	1,948,130

### LIABILITIES

Reserve for Unearned Premiums .....	\$3,614,203.64
Reserve for Losses in Process of Adjustment....	426,045.22
Reserve for Commissions, Taxes and Expense....	281,794.70
Funds Held Under Reinsurance Treaties.....	519,879.77
Reserve for Dividends to Policyholders.....	191,000.00

Capital .....

Reserve for unknown .....

Contingencies .....

\*Net Surplus .....

Policyholders' Surplus .....

**\$8,890,579.64**

\*Computed on basis of bonds and stocks valued at market December 31, 1934.

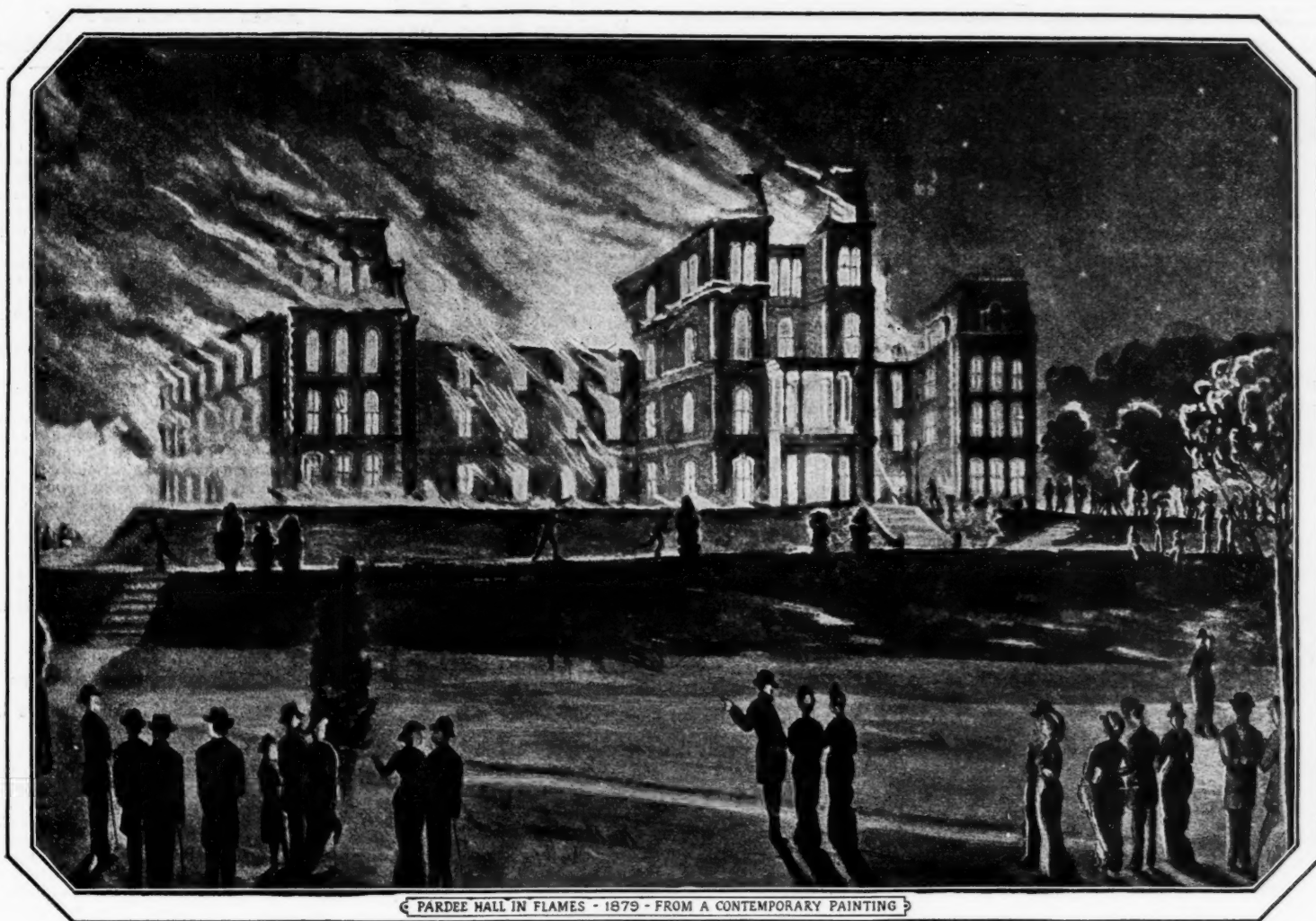
### GROWTH OF COMPANY IN PERIODS OF YEARS

	Assets	Premiums Written	Surplus to Policyholders	Unearned Premiums
1923	\$1,466,000	\$ 340,000	\$1,265,812	\$ 166,000
1926	4,140,000	2,721,000	2,004,000	1,744,000
1929	6,373,000	3,624,000	2,293,000	3,040,000
1932	7,574,000	2,866,000	3,111,000	2,596,000
1934	8,890,000	4,140,000	3,858,000	3,614,000

### EASTERN AND MIDDLE WESTERN FIELD SUPERVISORY OFFICES

EAST: Eastern U. S. Department, E. E. Cole, Jr., Manager, 116 John St., New York, N. Y. MIDDLE WEST: C. W. Davis, Supt. of Agents, 200 N. Broadway, St. Louis, Missouri. GENERAL AGENCIES AND SERVICE OFFICES: Chicago—Cleveland—Milwaukee—Indianapolis—St. Louis—Omaha—Atlanta—Mobile—Miami—Lafayette, La.—Oklahoma City—Dallas—Chatfield, Minn.—Appleton, Wis.—Peoria, Ill.





PARDEE HALL IN FLAMES - 1879 - FROM A CONTEMPORARY PAINTING

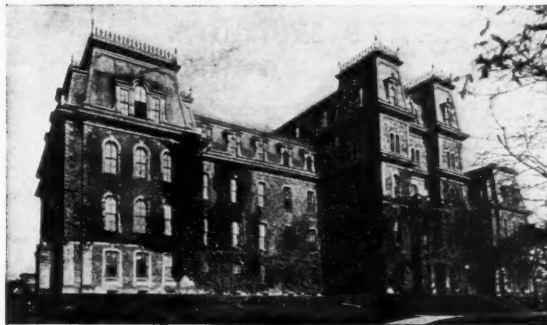
## The Burning of Pardee Hall

THE Liverpool & London & Globe Insurance Company Limited, has insured Lafayette College continuously since 1873, when A. S. Deichman & Company were appointed agents in Easton, Pennsylvania.

The painting reproduced above was inspired by the historic burning of Pardee Hall, dormitory at Lafayette College, on the night of June 4, 1879. Less than a month later, at a meeting of the college trustees, the Company paid a loss amounting to \$100,800 on the building, and \$20,000, being the total amount of insurance

then carried on contents. Prompt adjustment of this loss—a large one in those days—enabled the trustees to proceed at once with rebuilding plans.

Lafayette College property is still safeguarded through the Deichman Agency by "L. & L. & G." protection. Today, as in the past, Royal-Liverpool Companies offer security to owners or custodians of property and unexcelled service facilities to their agents.



Pardee Hall from a recent photograph

# ROYAL-LIVERPOOL GROUPS

ONE HUNDRED FIFTY WILLIAM STREET, NEW YORK, N.Y.

AMERICAN & FOREIGN INSURANCE COMPANY • BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. • CAPITAL FIRE INSURANCE COMPANY OF CALIFORNIA  
 THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LTD. • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD. • QUEEN INSURANCE COMPANY OF AMERICA  
 FEDERAL UNION INSURANCE COMPANY • THE NEWARK FIRE INSURANCE COMPANY • ROYAL INSURANCE COMPANY, LTD. • STAR INSURANCE COMPANY OF AMERICA

CHARLES J. SCHRUP, President S. F. WEISER, Secretary OLIVER G. SCHRUP, Treasurer

**Fifty-Second Annual Statement, January 1, 1935**

Cash Capital .....	\$1,000,000.00	
Contingency Reserve .....	50,000.00	
Unearned Premium Reserve (and all Other Liabilities) .....	2,735,258.43	
Net Surplus .....	585,788.83	\$4,371,047.26

**Summary of Assets**

Real Estate Mortgage Loans ....	\$ 230,568.43	
Real Estate .....	217,884.12	
Bonds and Stocks .....	2,942,588.85	
Cash on Hand and in Banks .....	417,910.03	
Cash in Hands of Agents .....	525,637.83	
Interest Accrued on Loans and Bonds .....	36,458.00	\$4,371,047.26

This Statement Is Based on Market Values as of December 31, 1934.

CHARLES J. SCHRUP, Pres. &amp; Treas. GEO. W. MYERS, V. Pres. S. F. WEISER, Secretary

**Sixteenth Annual Statement, January 1, 1935**

Cash Capital .....	\$ 250,000.00	
Contingency Reserve .....	50,000.00	
Unearned Premium Reserve (and all Other Liabilities) .....	1,167,278.37	
Net Surplus .....	435,381.91	\$1,902,660.28

**Summary of Assets**

Real Estate Mortgage Loans ....	\$ 255,027.63	
Real Estate .....	217,392.89	
Bonds and Stocks .....	1,006,904.55	
Cash on hand and in Banks .....	251,069.39	
Cash in hands of Agents .....	152,988.71	
Interest accrued on Loans and Bonds .....	19,277.11	\$1,902,660.28

This Statement Is Based on Market Values as of December 31, 1934.

**Personal Effects Floater  
Revision Being Considered****I. M. U. A. TO HOLD HEARING**

Generally Unsatisfactory Experience  
Said to Call for Forms, Rates  
and Rules Changes

NEW YORK, March 13.—Revision of forms, rules and rates applicable to the personal effects floater, or tourist baggage coverage, is being considered by the Inland Marine Underwriters Association of this city. Member companies have been asked to submit their views and recommendations.

The contemplated action is induced by the generally bad experience on this line. There is no coinsurance requirement and it has been found buyers of the contract have not been taking enough insurance to value. A number of more conservative companies have been attempting to rectify this evil by demanding applications which have been designed to disclose whether enough insurance has been applied for.

**Small Risks Troublesome**

As has been the case in other types of insurance, the small risks have been the principal offenders. The minimum premium for the personal effects floater is \$20, which purchases \$666 of insurance. The minimum premium was substantially increased some time ago, but appears still to be inadequate.

One difficulty is that a great many agents and brokers seem to be selling the minimum size contract. They are not developing a premium in proportion to the values that may be involved. While \$666 coverage may be sufficient for the average person of small means, obviously if property values of \$2,000 and up are exposed to loss, a single loss may be a very large proportion or all the face of the minimum policy.

The companies have not considered they could afford to call for inspection of applicants for these small policies as they do in case of well-to-do clients. However, many of the difficulties with the line have become clearer in the last year and companies have been studying the small risks much more closely.

**Review Insurance Carried**

Some have called for review of the insurance in case a small loss developed, and where there was found not enough insurance to value was carried, demand has been made on the assured to increase the amount of insurance.

Theft from unattended automobiles has been a frequent cause of loss. The personal effects floater is an all-risk contract which gives very broad coverage. It is a highly popular contract, the sale of which is particularly good early in the year, before vacation season starts. The Inland Marine Underwriters Association plans to hold an open hearing before long to discuss the projected revision, and representatives of many companies will be invited.

**Brooklyn Premiums Up 4.2  
Percent Last Half of 1934**

An increase of 4.2 percent during the last half of 1934 in Brooklyn premiums, is reported to the New York Board for Brooklyn fire patrol assessment purposes. The total was \$4,800,381 for the last half of 1934 as compared with \$4,607,535 for the last half of 1933. The total premiums in Brooklyn for the entire year 1934 amounted to \$9,821,630 as compared with \$9,253,828 in 1933. Total 1934 premiums for Manhattan, Bronx and Brooklyn were \$29,368,241 while in 1933 the figure was \$27,476,657.

The premiums of the leading company groups in Brooklyn for the last half of 1934 were: Home \$474,040, America Fore \$338,154, Firemen's \$312,823, Royal-Liverpool \$302,638, Great

**Jokes as Fresh as New  
Model Cars in Booklet**

If it happened to an automobile, in an automobile, or through an automobile, it is mentioned in "4-Wheel Fun," published annually by the Fireman's Fund. The latest issue is just off the press and contains jokes as fresh as the newest car models. Just why an automobile mishap should take on the appearance of comedy when it is transferred to paper, is still a mystery, however, it all depends on the point of view. Discussing the point of view, W. Stanley Pearce, advertising manager Fireman's Fund, says: "A collision between two brand new automobiles on Fifth Avenue, New York, is discussed in terms of dollars and cents; the accidental scraping of French mudguards by a German limousine involved an insult to national pride and an appeal to the League of Nations; a dispute between chauffeurs on the road between Hungary and Yugoslavia is righted only by an abject public apology and international sanctions. An accident in the pages of '4-Wheel Fun' brings roars of laughter. We have," says Mr. Pearce, "searched the world for our 1935 issue and now offer it as an ambassador of goodwill between peoples and nations and tongues." The booklets will be distributed free by automobile agents and brokers of the Fireman's Fund.

**Slight Drop in Canada Fire  
Premiums; U. S. Carriers Up**

OTTAWA, ONT., March 13.—Net fire insurance premiums written in Canada in 1934, as shown by preliminary figures given out by the Dominion insurance department, decreased by \$25,543, or .06 percent below the 1933 figure, the total for 1934 being \$42,712,545. Of this amount Canadian companies wrote \$9,162,343, British companies \$18,120,900, United States and foreign companies \$15,429,302, these amounts being, for Canadian companies, .14 percent greater than for 1933, for British companies, 2.43 percent less and for other companies 2.6 percent greater.

Losses incurred, less registered reinsurance, decreased from \$22,905,418 in 1933 to \$17,470,408 in 1934, the average ratio of losses to premiums written being 40.9 percent for 1934 as compared with 53.59 percent for 1933. The ratio for Canadian companies was 40.39 percent, for British companies 40.18 percent and for foreign companies 42.06 percent. Adjusting the written premiums for the reduction in unearned premium reserve, the ratio of losses incurred to premiums earned is 41.57 percent, being for Canadian companies 41.04 percent, for British companies 40.45 percent and for foreign companies 43.2 percent.

Net premiums written for automobile insurance of all classes in 1934 were \$11,921,983, a decrease of \$11,591 or .1 percent. The losses incurred were \$6,042,568 or 50.68 percent of the premiums written, as compared with 43.87 percent in 1933.

American \$236,851, Hartford \$164,551, Corroon & Reynolds \$158,781, Crum & Forster \$153,390, North British \$144,050, Aetna Fire \$140,540, Phoenix of Hartford \$134,020, North America \$130,279, National \$120,217, Phoenix of London \$109,843, London & Lancashire \$107,491, Commercial Union \$97,914, Meserole, \$88,596, Aetna Life \$86,153, Fireman's Fund \$83,817, Springfield \$72,116 and Sun \$60,507.

**Miscellaneous Notes**

The Ohio Fire Underwriters Association has postponed its April meeting from April 2 to April 9.

Artie Enders of the Western Adjustment staff in Milwaukee is passing the "smokes" following the birth of a daughter.

At Kansas City, Kan., a fire prevention bureau has been created in the fire department. A fire prevention code of ordinances will be presented for adoption soon.



# Globe and Rutgers Fire Insurance Company

FRED A. HUBBARD  
PRESIDENT

Home Office: 111 WILLIAM STREET, NEW YORK, N. Y.

## BALANCE SHEET AS AT DECEMBER 31, 1934

### ASSETS

*Bonds .....	\$ 4,330,652.56
*Stocks .....	11,537,037.20
Cash on Hand and in Banks .....	7,576,144.18
(Of which \$5,575,463.52 held in Escrow for payment of claims and certain Expenses of Rehabilitation)	
Demand Note of Subsidiary Company secured by Collateral .....	185,000.00
Premiums in course of collection and accounts receivable .....	195,182.80
(Less than 90 days due or subject to offset)	
Mortgages owned (Face value \$117,725.) .....	50,000.00
Accrued Interest Receivable .....	76,396.64
Mixed Claims Commission Award .....	1.00
	<u>\$23,950,414.38†</u>

### LIABILITIES

Reserve for Unearned Premiums .....	\$ 302,477.86
Reserve for Losses .....	936.00
Reserve for liabilities incurred prior to Rehabilitation of Company on December 6, 1934:	
Reserve for Losses and Loss Expenses .....	\$2,176,194.54
Reserve for Return Premiums Payable .....	3,618,052.86
Reserve for liability (less accounts receivable) under Foreign Reinsurance Treaties .....	775,447.79
Amount Payable in Cash and Second Preferred Stock in respect of Adjusted and Unadjusted Claims of Creditors consenting to Plan of Rehabilitation .....	3,808,155.16
Reserve for all other liabilities .....	1,222,319.27
	11,600,169.62
Loans from Reconstruction Finance Corporation .....	\$6,495,500.00
Interest Accrued .....	19,219.56
(Secured by pledge of bonds and Stocks of values at this date of \$10,292,048.81)	
Reserve for General Contingencies .....	250,000.00
Total Liabilities, except Capital .....	\$18,668,303.04†
Capital Stock:	
**\$4.00 Cumulative First Preferred Stock (35,000 Shares \$15.00 Par Value) .....	525,000.00
**\$5.00 Cumulative Second Preferred Stock (20,269 Shares \$15.00 Par Value) (2,034 Scrip \$1.50 Par Value) .....	307,086.00
**\$5.00 Cumulative Junior Preferred Stock (5,000 Shares \$15.00 Par Value) .....	75,000.00
Common Stock (80,000 Shares \$15.00 Par Value) .....	1,200,000.00
	2,107,086.00
Surplus .....	3,175,025.34
	<u>\$23,950,414.38†</u>

### POLICYHOLDERS' SURPLUS \$5,282,111.34

†The filed annual statement reflects "Admitted Assets of \$16,621,134.48" and "Total Liabilities except Capital of \$11,339,023.14." The difference between the filed figures as aforementioned and the "Assets" and "Total Liabilities except Capital" as stated in the above balance sheet represent (a) Reserve for Return Premiums Payable \$3,618,052.86, (b) Amount payable in cash and second preferred stock in respect of adjusted and unadjusted claims of creditors consenting to Plan of Rehabilitation \$3,808,155.16, which are carried herein as liabilities instead of deductions from assets, (c) other items aggregating \$96,928.12 which have been offset.

\*Bonds are carried on the basis prescribed by the Insurance Department, State of New York (market value is \$47,515.94 greater). Stocks are carried at December 31, 1934 market quotations except stocks of other Insurance Companies (of value of \$128,237.88) and subsidiary and/or affiliated companies (of value of \$2,912,909.16) which are valued on the basis permitted by law. Securities carried at \$94,608.19 in the above statement are deposited with State Departments as required by law.

\*\*Entitled on voluntary or involuntary liquidation to \$100.00 per share and accrued dividends. The First Preferred Stock is subject to re-purchase to the extent, if any, that Second Preferred Stock issued or subscribed at September 30, 1935 shall not equal 35,000 shares. Since December 31, 1934 there have been issued, to date of February 25, 1935, 10,499.7 additional Shares and Scrip of Second Preferred Stock at \$100 per share, which have increased the capital funds of the Company by \$1,049,970.00 and the policyholders' surplus to \$6,332,081.34. There remain to be issued to consenting creditors 7,793.5 Shares and Scrip of Second Preferred Stock, more or less, at \$100. per share upon settlement of claims now in process of adjustment.

### DIRECTORS

EARLE BAILIE  
OF J. & W. SELIGMAN & CO.  
CHAIRMAN OF THE BOARD,  
TRI-CONTINENTAL CORPORATION

H. EDWARD BILKEY  
VICE-PRESIDENT,  
GLOBE & RUTGERS FIRE INSURANCE CO.

MORTIMER N. BUCKNER  
CHAIRMAN OF THE BOARD,  
THE NEW YORK TRUST COMPANY

JOSEPH S. FRELINGHUYSEN  
PRESIDENT,  
AMERICAN HOME FIRE ASSURANCE CO.

WILLIAM S. GRAY, JR.  
PRESIDENT,  
CENTRAL HANOVER BANK & TRUST CO.

CHARLES HAYDEN  
HAYDEN, STONE & CO.

FRED A. HUBBARD  
PRESIDENT,  
GLOBE & RUTGERS FIRE INSURANCE CO.

E. C. JAMESON  
PRESIDENT,  
NATIONAL FIRE & MARINE INSURANCE CO.

ALFRED JARETZKI, JR.  
SULLIVAN & CROMWELL, ATTORNEYS

JOHN C. JAY  
CHAIRMAN, EXECUTIVE COMMITTEE  
GLOBE & RUTGERS FIRE INSURANCE CO.

ALFRED B. JONES  
PRESIDENT, HOUSTON PROPERTIES CORP.

CHARLES S. McVEIGH  
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BANK OF NEW YORK & TRUST COMPANY

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OF J. & W. SELIGMAN & CO.  
PRESIDENT,  
TRI-CONTINENTAL CORPORATION

ROBERT C. REAM  
PRESIDENT, AMERICAN RE-INSURANCE CO.

EARL SCHWULST  
RECONSTRUCTION FINANCE CORPORATION

JOHN R. SIMPSON  
CHAIRMAN, EXECUTIVE COMMITTEE  
FIDUCIARY TRUST COMPANY OF NEW YORK

MATTHEW S. SLOAN  
CHAIRMAN OF THE BOARD,  
MISSOURI-KANSAS-TEXAS RAILROAD CO.

ALFRED H. SWAYNE  
VICE-PRESIDENT,  
GENERAL MOTORS CORPORATION

THOMAS J. WATSON  
PRESIDENT,  
INTERNATIONAL BUSINESS MACHINES CORP.

## NEWS OF FIELD MEN

### Joins Corroon & Reynolds

**R. R. Romer, Formerly in Charge of West Coast for Public Fire, in New Connection**

NEW YORK, March 13.—R. R. Romer, formerly in charge of the Public Fire's western and Pacific Coast units, has been appointed special agent in New Jersey for the Corroon & Reynolds companies, making headquarters in Newark. His insurance career began as a boy with the North British & Mercantile, with which he remained ten years, eventually becoming an examiner of its western business. Subsequently for six years he was examiner of New York City business for the Phoenix of London, doing inspection work as well. His next connection was with the National Liberty, which he served four years as a western examiner and again traveling the New England field. This association he resigned to join the Public fire organization five years ago.

### Boston, Old Colony Meet

LANSING, MICH., March 13.—The annual western department field men's meeting of the Boston and Old Colony was held here this week. President W. R. Hedge and Raymond C. Dreher, advertising manager, were present. Mr. Dreher explained the year's advertising program to the western field organization. The sessions were informal. B. L. Hewett is western department manager.

### Nebraska Pond Annual Meeting

The Nebraska Blue Goose will hold its annual meeting in Omaha March 18. The business session will be followed by what has been designated as "old-timers party." Members who have been in the organization more than 20 years will be in charge of the entertainment and a portion of the ritualistic work. Charles U. Henrickson will be chair-

man of arrangements, assisted by 16 old-timers.

### Hear Address on Lincoln

Dr. L. A. Warren, director of the Lincoln National Foundation and historian of the Lincoln National Life, spoke at the March luncheon meeting of the Iowa Blue Goose on Lincoln's birth and early life.

### Cleveland Blue Goose Party

The Fire Insurance Field Club of Cleveland is working out final arrangements for the Blue Goose dinner dance there March 16. About 100 couples are expected.

### Kansas Field Conference

H. A. Miller, associate western manager of the North America, held a conference with Kansas field men in Wichita last week. Mr. Miller stopped in Wichita on his way back to Chicago after spending several weeks in Arizona and southern California. Before going to Wichita he had a session with the Oklahoma field men in Oklahoma City.

### Albany Field Club Meets

The Albany (N. Y.) Field Club will meet March 15. Prof. F. W. Schwartz of Rensselaer Polytechnic Institute being the guest speaker.

### "Old Timers Night" in Los Angeles

M. E. Faust, past most loyal gander of the California Blue Goose, Los Angeles, presided at the annual celebration of "Old Timers' Night," with more than 50 in attendance.

### Several Inspections Scheduled

A number of inspections are to be held by various state fire prevention associations in middlewestern states in the near future. There will be an inspection of Reedsburg, Wis., March 20; Anita,

Ia., March 26; Eldon, Mo., March 21; Fremont, Neb., March 26-27; Enid, Okla., March 27-28, and Logansport, Ind., March 27.

### Hear Deputy District Attorney

T. A. Costolow, deputy United States district attorney, spoke to 40 members of the Blue Goose in Kansas City Monday on the procedure of federal courts. A. F. Nelson, North America, was appointed chairman of the next meeting.

### Mill and Elevator Meeting

LeRoy Neal of the Ohio department of the Mill Mutuals, Columbus, was elected president of the Mill & Elevator Field Men's Association at the annual meeting in Chicago. R. A. Backus of the Michigan Millers Mutual Fire of Lansing, is the new vice-president. H. C. Lee of the Mutual Fire Protection Bureau of Chicago was reelected secretary. This is an organization of producers. About 80 were in attendance. A. S. Thompson of the Millers Mutual of Fort Worth, the retiring president, presided. The opening address was by T. G. McCracken, vice-president of the National Retailers Mutual Fire. He was the only company executive on the program. The other papers were all by members of the organization.

The Millers National of Chicago was host to the group at a dinner over which Secretary A. A. Krueger of the Millers National presided. About 100 were present for the dinner.

Another evening, many of the members attended the games in the Insurance Basketball League of Chicago and were entertained at dinner beforehand by the National Retailers Mutual.

### Hartford Fire Prevention Work

At Hartford, Conn., the National Fire Protection Association reports there is an active fire prevention committee in the chamber of commerce. A new drill tower has recently been erected. A course of fire prevention inspection has been introduced in the schools. Weekly broadcasts of fire prevention costs were sponsored by the committee.

## NEW YORK NEWS

### NEW DEPARTMENT STARTED

The Royal-L. & L. & G. group have established a facultative reinsurance department at their head office in New York to handle facultative reinsurance assumed and ceded by the fire companies of the group. G. Fred Jones is in charge of the new department.

\* \* \*

### STEELE SUBURBAN CLUB SPEAKER

William Steele, Jr., special agent Security of New Haven, addressed the Suburban New York Field Club on "What can we do to make the field club more valuable to its members?" This was the first of a series of meetings suggested by Mr. Steele at which members will be the speakers.

\* \* \*

### McDANIEL AGENCY CHANGE

The well known New York local agency of McDaniel, Cloud & Maeser has now become known as McDaniel, Maeser & Co., with the retirement of Chester M. Cloud to open his own agency. The new partnership is composed of Clarence McDaniel, Edward Maeser and Calvin F. Gates.

The new partner is Mr. Gates, who has been with the agency five years. Previously he spent 22 years with Wallace Reid & Co.

\* \* \*

### HITS EXCESS BROKERAGE

In retiring from the presidency of the New York Fire Insurance Exchange at the annual meeting, Sydney T. Perrin, in the course of his address, declared that certain major issues yet await solution, noting particularly the payment of excess brokerage by "some companies and some agents, in shameless violation of pledged obligations."

"Obtaining business by such methods," he declared, "is not only dishonorable as a violation of the exchange agreement, but is a direct infraction of basic principles of moral law."

"The ultimate well being of our business depends upon observance of the uniform brokerage rule," he said, "and that present conditions make it imperative that we highly resolve with the full force of our moral being to rid our local business of this octopus that is draining the business life blood of the honest and honorable members of this valuable organization."

The record of the New York Exchange last year, Manager Harold Hess stated in his report "was marked by the continued favorable loss ratio, the rapid fall of the average rate, the continued simplification of rating rules and practices, and the expected difficulties naturally arising in connection with major changes in the agreement effective Aug. 1, 1933, also the continued reduction in the cost of operating the exchange machinery."

The present average rate is the "phenomenally low figure of 41 cents" the lowest on record. "Further reductions made since Jan. 1, 1935," Mr. Hess said "call for pause until the experience figures fully reflect such reductions and until the unusually low loss record of 1933 and 1934 is either continued under more normal business conditions or demonstrates its permanency."

The official slate proposed by the nominating committee was unanimously elected, namely: President, J. W. Russell; vice-president, W. R. Crane; secretary, H. M. Hess. Members executive committee: Wilfred Kurth, Home; S. T. Perrin, W. L. Perrin & Son; G. F. Kern, Fuller & Kern; N. S. Schroeder, Pacific Fire; members arbitration committee, S. T. Skirrow, Great American, J. W. Kavanagh, Fowler & Kavanagh, and Clarence McDaniel; members rates, rules and forms committee; G. E. O'Hara, Niagara; W. A. Riordan, Automobile, and J. E. Peace, Willard S. Brown & Co.

## FIGURES FROM DECEMBER 31, 1934 STATEMENTS

	STOCK COMPANIES											
	Assets		Change in Assets	Security Fluc. or Cont. Res.	Reins. Res.	Changes in Reins. Res.	Capital or Stat. Dep.	Surplus	Changes in Surplus	Losses Paid	Net Prem.	Loss Ratio
	\$	\$			\$	\$	\$	\$		\$	\$	%
Amer. Alliance, N. Y.	7,789,231 <sup>1</sup>	-139,200			1,875,427	+330,365	3,000,000	2,611,488	+556,659	710,209	2,180,975	32.5
Amer. Natl., O.	951,221 <sup>2</sup>	+97,765					500,000	443,221	+120,235			
Amer. Union	2,661,547	+84,096			424,470	+6,933	1,000,000	1,178,367	+274,698	118,342	334,433	35.4
Bankers F. & M.	434,375	-876			23,370	+7,339	278,042	100,000				
Central Union	1,226,631	+24,409			128,129	+3,489	500,000	577,351	+117,402	33,315	97,187	34.3
Commonwealth	6,595,619 <sup>3</sup>	+441,225			1,985,566	-78,764	1,000,000	3,206,949 <sup>4</sup>	+505,741	731,477	1,940,395	37.7
County Fire, N. Y.	2,311,325	+6,928			496,174	+20,429	1,000,000	712,445	+211,210	163,069	432,256	37.7
Detroit F. & M.	3,719,314	-98,005	214,711 <sup>5</sup>		795,952	-349,072	1,000,000	1,501,682	+343,619	358,190	433,002	82.8
Fuso M. & F.	762,881	-94,693		46,403	22,213	-5,345	200,000	368,890 <sup>6</sup>	-41,347	56,849	64,113	88.6
Great American	41,269,819 <sup>7</sup>	-2,028,905			13,362,322	-412,768	8,150,000	17,228,127 <sup>8</sup>	+4,874,057	5,769,804	13,150,303	43.8
Gulf, Tex.	3,481,778	+266,257			1,194,115	+179,535	1,000,000	1,069,648	+48,417	431,450	1,460,327	30.0
Homeland	2,854,592 <sup>9</sup>	+264,685			500,596	+26,982	1,000,000	1,287,152 <sup>10</sup>	+282,885	166,093	488,570	34.0
Importers & Exporters	655,103						200,000	435,621		417,165	-304,838	
London & Scottish	1,703,093	-1,574			374,420	-56,179	200,000	1,027,261	+290,264	145,565	328,833	44.3
London Assurance	7,459,355	+140,944			3,072,164	+98,538		3,418,115	+471,020	1,520,554	3,842,126	41.7
Manhattan F. & M.	2,760,222	+157,252			696,345	+44,443	1,000,000	966,992	+312,308	221,985	693,640	32.0
Mass. F. & M.	2,354,791	-203,600	77,556		421,129	-151,383	1,000,000	746,497	+250,104	183,354	259,781	70.6
Memphis Fire	75,061	+2,282		7,616	2,744		50,000	12,798	+1,106	778	3,167	20.3
Mercantile	6,436,314 <sup>11</sup>	+320,223			2,106,869	-41,685	1,000,000	2,960,510 <sup>12</sup>	+376,233	727,259	1,986,076	36.6
North Carolina Home	1,009,517	+22,289					500,000	503,517	+194,056			
Northern Assurance	8,117,460	+175,166			3,602,889	-96,109	400,000	2,977,150	+852,658	1,555,945	3,577,546	43.5
North Brit. & Mer.	15,143,730 <sup>13</sup>	+602,988			6,831,658	-149,161	400,000	6,656,625 <sup>14</sup>	+879,322	2,810,371	6,906,349	40.7
Pennsylvania Fire	15,387,762 <sup>15</sup>	+1,452,421			5,636,103	-177,344	1,000,000	7,938,857 <sup>16</sup>	+2,016,485	1,734,236	4,463,595	38.9
Rochester American	3,057,441 <sup>17</sup>	+29,981			795,952	+168,351	1,000,000	1,114,520 <sup>18</sup>	+328,343	295,188	950,426	31.0
Scottish Union & Natl.	8,482,734	+171,694	24,524		3,294,409	-97,834	400,000	4,240,463	+1,337,221	1,146,640	2,904,698	39.4
Security Natl., Tex.	747,488	+67,786	47,301				250,000	272,265	+30,341	60,831	229,946	31.5 <sup>19</sup>
Texas National	596,284	+59,541					250,000	239,071	+23,989	35,578	149,705	33.6 <sup>20</sup>
Tokio M. & F.	12,769,738	-219,500			1,663,391	-74,423	500,000	9,950,430	+922,126	1,031,638	2,147,781	48.0
Union National, Neb.	332,281	+175,027					313,463	104,489	+53,989	945	6,909	13.7
Union, France	1,441,350	+57,505	30,544		386,552	+11,500		926,321	+181,081	181,917	417,155	43.6

<sup>1</sup>Market values: assets \$7,842,331; surplus \$2,664,588.

<sup>2</sup>Market values: assets \$972,973; surplus \$464,978.

<sup>3</sup>Market values: assets \$7,342,902; surplus \$3,954,232.

<sup>4</sup>Include \$150,000 reserve for fluctuations in real estate values.

<sup>5</sup>Market values.

<sup>6</sup>Market values: assets \$41,462,976; surplus \$17,421,283.

<sup>7</sup>Market values: assets \$6,972,350; surplus \$3,496,556.

<sup>8</sup>Market values: assets \$16,244,968; surplus \$7,757,883.

<sup>9</sup>Market values: assets \$15,480,608; surplus \$8,031,703.

<sup>10</sup>Market values: assets \$3,079,198; surplus \$1,136,277.

<sup>11</sup>Losses paid to premium earned ratio.

### MUTUALS

	Cash	Sec. Fluc.	Unearned	Cash	1934	Losses	Total	Total
	Assets	Cont. Res.	Prem.	Surplus	Prem.	Paid 1934	Income	Disburs.
Citizens Fund Mutual, Minn.	540,328	.....	229,062	173,549	202,983	259,544	379,210	482,648
Federal Mutual, Mass.	737,346	12,748	347,126	308,084	445,014	134,117	473,045	503,217
Firemen's Mutual, R. I.	4,969,665	.....	2,148,962	2,097,757	2,193,694	139,654	2,458,508	2,386,986
Glen Cove Mutual, N. Y.	483,285	8,815	217,689	202,170	267,783	109,016	287,592	314,993
Mercantile Mutual, R. I.	1,255,665	.....	678,619	285,742	692,698	43,774	746,821	715,912
Minnesota Farmers Mutual	601,484	50,000	88,346	453,596	765,838	411,251	801,089	729,277
Union Mutual Fire Ins. Co., R. I.	860,093 <sup>1</sup>	.....	441,250	378,285	407,693	84,381	582,549	627,841
Utica Fire of Oneida County, N. Y.	149,338	.....	134,757	104,851	225,986	108,124	232,676	212,642

<sup>1</sup>Does not include notes and policyholders' contingent liability.

<sup>2</sup>Market value \$874,035.



## AS SEEN FROM CHICAGO

### CHICAGO PREMIUM LEADERS

An unofficial tabulation of net fire premiums written by the leading companies in Cook county, Ill., last year indicates that the Home retains its lead in the county, with premiums of \$1,141,950, closely followed by the America Fore with \$1,128,811. The total increase as compared with a year ago seems to be about 11 percent.

Following is a tabulation, showing the results of most of the major groups and two or three of the independent companies for 1934 and 1933:

	1934	1933
Home .....	\$1,141,950	\$1,053,501
America Fore .....	1,128,811	973,204
Royal-Liverpool ..	966,943	950,597
North America ..	848,474	776,822
Firemen's .....	762,936	657,479
Hartford .....	761,018	631,351
North British .....	713,886	694,966
London & Lancas're	702,918	588,376
Aetna Fire .....	573,385	487,567
Phoenix of Hartford	549,946	525,086
National .....	536,299	462,470
Crum & Forster ..	529,213	475,666
Springfield .....	513,806	448,761
American .....	380,404	306,792
Great American ..	354,340	345,726
Fireman's Fund ..	349,309	271,817
Commercial Union ..	339,709	315,504
Fire Association ..	330,390	338,959
Aetna Life .....	316,938	359,463
Corroon & Reynolds	361,164	231,896
Northwestern Nat'l	377,359	265,845
Tokio .....	336,471	262,942
Phoenix of London	315,056	319,781
Glens Falls .....	260,475	244,105
Dubuque .....	256,012	259,210
London .....	248,935	232,980
Merchants of N. Y.	231,207	201,563
St. Paul .....	215,286	180,391
Northern of London	183,684	177,776

\* \* \*

### GLIDDEN JAMAICA BOUND

J. S. Glidden, manager of the Chicago Board, is leaving this week for a vacation trip. He is sailing for Jamaica, where he expects to remain about a week. He plans to return to Chicago about April 1.

\* \* \*

### TO SET EFFECTIVE DATE

The committee on order of business for the annual meeting of the Western Underwriters Association in White Sulphur Springs, W. Va., April 16-17, has been appointed. The committee will hold a meeting in Chicago March 28. It consists of W. N. Achenbach, Aetna Fire, chairman; H. T. Cartledge, Royal-Liverpool; C. W. Ohlsen, Sun; J. C. McKown, St. Paul; W. H. Riker, North America.

C. F. Thomas, manager of the Western Underwriters Association, is expected back at his desk Thursday of this week. He has been away for some time at Mineral Wells, Tex. There will be a meeting of the governing committee of the W.U.A. next Tuesday. At that time an effective date will probably be set for the W. U. A. to assume jurisdiction in Chicago and join hands with the Chicago Board in enforcing the commission rules. There will be an agreement beforehand and the Chicago Board later will set an effective date to coincide with the date proclaimed by the W. U. A.

\* \* \*

### MEMBERSHIP DRIVE ON

The Western Loss Association is undertaking to increase its membership with the idea of having a complete representation of all organization companies if possible. Most of the companies that maintain regular western departments are represented, as well as a few others, so the current drive is for loss men, stationed in Chicago, for companies that do not have western departments.

The next monthly luncheon meeting of the association will be held next Tuesday at Marshall Field's, Chicago.

\* \* \*

### JOHN A. MORIARTY DIES

John A. Moriarty of Chicago, brother of M. E. Moriarty, Chicago manager of the Great American, and of P. J. Moriarty, manager of the Detroit

metropolitan department of the North British & Mercantile, died of pneumonia. Funeral services were held in Chicago Monday. He was 51 years of age. He had been engaged in the fire insurance until about five years ago. He started with the North British & Mercantile in Chicago, then became connected with John Naghten & Co. He was one of the first special agents of the Marquette National Fire and

when that company failed he joined the Western Adjustment.

\* \* \*

### BROKERS' QUARTERLY MEETING

The Insurance Brokers Association of Illinois will hold its quarterly meeting Friday afternoon in the Chicago Board auditorium, when the Illinois insurance code bill, recently filed in the legislature, will be explained, with probable effects on brokers.

It is understood that one of the important topics will be the question of the political aspect of the insurance business in Chicago these days. The announcement states other subjects are to be discussed in confidence and the report

is that this will be the confidential matter.

Another subject scheduled for discussion is the matter of commissions on rejected compensation risks that are assigned to companies under the plan for handling such risks in Illinois. Commission is not being paid and some of the brokers feel that this establishes a dangerous precedent.

\* \* \*

### JENS, MURRAY & CO. MOVES

Jens, Murray & Co., formerly located in Room 748 Insurance Exchange, Chicago, has moved to 1727 Continental Illinois Bank building. The new and enlarged quarters were necessitated by

## The East and West Insurance Company

OF NEW HAVEN, CONNECTICUT

Annual Statement, December 31st, 1934

### ASSETS

Bonds (U. S., Municipal, R. R., etc.) .....	\$1,663,500.37
Stocks (Bank, R. R., Public Utility, etc.) .....	700,018.50
Loans on Real Estate (1st Mortgage) .....	214,750.00
Cash in Banks and Office .....	141,343.63
Premiums in Course of Collection .....	26,552.87
Accrued Interest, etc. ....	48,892.60
	<u>\$2,795,057.97</u>

### LIABILITIES

Reserve for Unearned Premiums .....	\$ 463,418.76
Reserve for Unadjusted Losses .....	43,018.23
Reserve for Taxes and all other Liabilities .....	56,550.91
*CONTINGENCY RESERVE .....	52,604.26
CAPITAL .....	1,000,000.00
NET SURPLUS .....	1,179,465.81
	<u>\$2,795,057.97</u>

Surplus to Policy Holders .....\$2,179,465.81

\*The Contingency Reserve adjusts the values of Securities owned to Actual Market quotations as of December 31, 1934.

Victor Roth, President

W. A. Thomson, Secretary

WESTERN DEPARTMENT  
ROCKFORD, ILLINOIS

PACIFIC COAST DEPARTMENT  
SAN FRANCISCO, CALIFORNIA

business expansion. The brokerage firm of Alger & Griswold also moved from the Insurance Exchange and is officing with Jens, Murray & Co. A. M. Jens and W. M. Murray are the principals in the firm, which operates a class 1 agency. The new telephone number is Central 2144.

#### R. C. RIMINGTON ADVANCES

Robert M. McBride announces the appointment of Robert Critchell Rimington as editorial director of the Dodge Publishing Company, New York City, a house that has been affiliated with R. M. McBride & Co. for nearly seven years. For more than 25 years the Dodge Publishing Company has published gift books, art prints and calendars. Henceforth it will publish books in both the fiction and non-fiction field. Mr. Rimington is a grandson of the late Robert S. Critchell, notable local agent in Chicago in his day, and for some time was connected with the advertising and makeup department of THE NATIONAL UNDERWRITER at its Chicago office. He went to New York City to become associated with George H. Doran Company and Doubleday, Doran & Co. Since 1930 he has been vice-president of the John Day Company, publishers.

He is the son of the late H. H. Rimington, long time special agent of the

old Teutonia of New Orleans, traveling out of Chicago. Later he traveled in other fields, finally locating in New Orleans.

**R. H. Beard, Jr.**, of the R. H. Beard & Co., agency of Chicago, sailed Wednesday of this week for England, where he will make a study of the London Lloyds market.

**George W. Holton**, secretary of the Phoenix of Hartford, is visiting the Chicago office of that company this week.

**W. J. Sonnen**, superintendent of the improved risk department of the St. Paul Fire & Marine in Chicago, and Mrs. Sonnen left last week for Daytona Beach, Fla., where he will be for the next five weeks or so.

**C. D. West**, facultative manager for the Eagle Fire of New Jersey, with headquarters in New York, was in Chicago last week visiting Mrs. K. L. Belcher, who represents the company in that city. Returning to New York, he stopped in Pittsburgh.

#### Kelsey Back From Bermuda

**J. A. Kelsey**, fire general agent of the Tokio M. & F., and president of the Standard of New York, is home from a three weeks' vacation in Bermuda.

## LEGISLATIVE • DIGEST •

**Legislatures in Indiana, Wyoming, New Mexico, North Dakota, South Dakota, West Virginia and Kansas have adjourned. New York body expects to adjourn March 22.**

#### GENERAL

**New York**—Bill creating a commission to investigate and examine the New York insurance laws and to report on comprehensive recodification by March 1, 1936, has been introduced in the assembly by E. S. Moran, Jr., chairman insurance committee. Expense money of \$15,000 provided. \*\*\* Senate passes bills (1) amending law valuing assets by striking out provisions that purchase price of bond or other evidence of debt amply secured and not in default shall be deemed to be value of securities; (2) prohibiting the reinsurance of more than 50 percent of outstanding risks without insurance department approval. \*\*\* Assembly insurance committee reports on bills: (1) permitting New York corporations other than life to invest funds in other companies up to 50 percent of surplus, (2) requiring brokers to publish name and location of insurers in advertisements, (3) providing for purchase of new property in reducing total investments in real estate.

The senate has passed the bill permitting domestic mutual fire insurance companies, organized prior to 1921, to receive premiums in advance. \*\*\* Bill introduced in the assembly by E. S. Moran, Jr., chairman insurance committee, prohibiting cooperative fire companies to do business in New York, Kings, Queens, Bronx and Richmond counties, unless they have been conducting business in the state for five years and have a surplus of \$200,000.

**Minnesota**—Senate sitting as committee of the whole recommends passage of bill empowering insurance department to take over for rehabilitation insurance companies in weakened financial position. Sponsored by insurance department.

**Oklahoma**—Commissioner Jess G. Read sponsors bill providing for insurance department control of receivership and liquidation of insolvent companies in house bill.

Measure that provided for reorganization of the operation of mutual companies killed by senate insurance committee.

**North Dakota**—House passes act providing that companies other than life must have duly licensed resident agents. \*\*\* Bill to impose an additional 5 percent premium tax defeated.

**Indiana**—Insurance code signed by governor. \*\*\* Bill imposing 2 percent tax on fire insurance premiums for firemen's pension funds passed both houses of legislature, but has not as yet been signed by the governor.

**Kansas**—Bill killed authorizing fire and casualty companies to write all lines of business except life.

**Oregon**—House kills 2 percent premium tax for firemen's and policemen's pension fund.

**South Dakota**—House kills bill prohibiting distribution of rating literature. \*\*\* House advances to second reading bill classifying and regulating soliciting agents other than life. \*\*\* Income tax bill passed but insurance is excluded. \*\*\* Bill to revise the standard fire policy killed.

**Iowa**—House passes bill authorizing state board of education to obtain fire insurance on state educational institutions. Competitive bidding clause eliminated. \*\*\* Senate requires insurance companies to pay the full amount of fire policies in the event of total loss, and to require inspection of buildings by insurance companies before fire insurance is placed on the buildings.

**Utah**—Senate advances to third read-

## Ray Murphy Is Appointed As Commissioner in Iowa

**DES MOINES, March 13.**—Ray Murphy, Ida Grove, Ia., has been named insurance commissioner of Iowa by Governor Clyde L. Herring. Mr. Murphy, a Democrat, succeeds Commissioner E. W. Clark of Mason City, a Republican, on July 1 next.

Mr. Murphy at present is chairman of the state board of assessment and review, a unit of state government corresponding to a state tax commission.

He was prominently mentioned last summer for the post of commander of the American Legion at Miami, Fla.

The salary of the insurance commissioner in a pending bill in the legislature is fixed at \$4,000 a year, a cut from \$4,500 formerly paid.

The appointment of Mr. Murphy must be confined by the Iowa senate in executive session.

In announcing the appointment of Mr. Murphy, Governor Herring urged that higher salaries be paid appointees in high state office, which by inference is taken to mean the office of insurance commissioner in addition to other offices.

#### YETKA IN OFFICE MARCH 18

**ST. PAUL, March 13.**—Frank Yetka will assume the post of insurance commissioner of Minnesota about March 18, succeeding Garfield W. Brown. Dewey Johnson, former legislator of Minneapolis, will become deputy commissioner.

Mr. Brown announced that he will engage in the practice of law in St. Paul, specializing in insurance matters.

ing bill increasing premium tax from 1½ percent to 3 percent.

**Nebraska**—Senate passes bill backed by Insurance Director Moose increasing insurance department fees slightly. To be used for supervision of agents in field.

**Texas**—A bill creating a public school insurance fund has again made its appearance in the legislature. Rates of the "reliable old line companies" would be used until the reserve reaches \$2,000,000. \*\*\* It is believed that insurance interests have halted the pressure for passage of legislation providing for the taxing of company reserves. \*\*\* Bill which would repeal present legislation exempting the premium reserves of fire and casualty companies from taxation has been tabled by the senate insurance committee subject to call. It is expected to die in committee.

**Wisconsin**—The insurance department is backing two bills: (1) Stockholders of holding companies owning insurance company stocks would be subject to the same liability imposed on stockholders of insurance companies in case of impairment of reserves. (2) Appraisals would be required on fire insurance covered property with amount of insurance fixed.

Another bill in assembly amends law licensing adjusters by providing for competent residents of the state, with the license fee increased from \$1 to \$10.

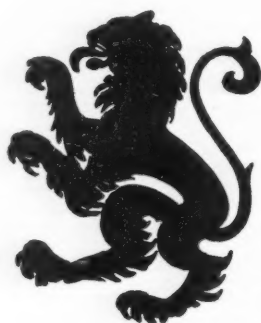
**Michigan**—A valued policy bill has been introduced in the house. Department officials and the companies will oppose the bill to the last ditch.

#### Decrease in Delinquency

The quarterly returns of agents' balances more than 90 days overdue as of Dec. 31, 1934, to the Ontario insurance department showed that 861 agents were delinquent, as compared with 1,353 on Sept. 30. There was a decrease of \$260,680 in total amount outstanding according to the reports of the companies. The general agents reported a decrease of \$21,145 in delinquent balances.

#### Pacific Board Annual Meeting

May 9 is designated for the annual meeting of the Pacific Board at Del Monte, Calif.



## ORDERED LIBERTY

Freedom is not a privilege  
— It is a right and every  
right carries responsibility—let us, agents and companies together respect the responsibility of the freedom which our business enjoys that it may be maintained

*Will Wrightem*  
(Field Correspondent)



**THE YORKSHIRE**  
INSURANCE CO. LTD

**LONDON & PROVINCIAL**  
MARINE & GENERAL INS. CO. LTD

**SEA BOARD**  
FIRE & MARINE AND THE

**YORKSHIRE**  
INDEMNITY CO. OF N.Y.

90 JOHN STREET  
NEW YORK CITY



## London Assurance Group Figures for 1934 Shown

NEW YORK, March 13.—Annual reports of the London Assurance, its subsidiary, the Manhattan Fire & Marine and the Union of Paris, France, are announced by E. W. Nourse, directing head in this country. The London Assurance assets Dec. 31 were \$7,459,354, net surplus \$3,018,114, statutory deposit \$400,000. Less than 2 percent of assets are in common stock, over 12 percent are in cash. The largest single investment is in government securities. Stocks are diversified among 14 different organizations; bonds cover 46 separate institutions.

The Manhattan's assets were \$2,760,221, net surplus \$966,992, and capital \$1,000,000.

The Union Fire assets were \$1,441,350, statutory deposit \$200,000 and net surplus \$726,321. Investments of the two latter companies also are well diversified and conservative Mr. Nourse stated.

### Pilot Reinsurance Figures

The Pilot Reinsurance statement shows: Assets \$3,730,354, capital \$1,200,000, net surplus \$1,052,068, reserve for unexpired reinsurance \$841,496, for losses \$261,110, for taxes and other liabilities \$150,000, special reserve \$110,000, for fluctuations in market values of securities \$100,000, for contingencies \$15,679.

### Donald Morrison Dead

Donald A. Morrison, eldest son of John K. Morrison, Omaha general agent, died in a New York hospital after an illness of eight weeks. Young Morrison, who was just 21 years of age, had been in New York this winter, employed in the office of the Liverpool & London & Globe and the Federal Union and was planning to become associated with his father in the general agency in Omaha.

### Sherwood Andrus Anniversary

S. D. Andrus, head of the Andrus & Palmer Agency at Detroit, who for many years has been in the insurance business there will on April 5 celebrate his 80th birthday anniversary. He was known chiefly because of his connection with the Providence Washington western department, serving in the field and later as assistant western manager. He went to Detroit to become underwriter for the Inter-State Fire which was taken over by the North British group.

### Department Actuary Killed

Merlin Oates, actuary for the Texas department, who was shot to death by his wife at their home in Austin, was for two years secretary of the Capitol Life of Denver. Mr. Oates went to Denver from Texas, and soon after assumed his executive position with the Capitol. In 1932 he returned to Texas and became actuary.

### Would Divert Firemen's Tax

NEW YORK, March 13.—A measure now before the municipal assembly would divert the 2 percent tax paid on gross premium receipts in New York City by foreign fire companies, from the Volunteer Firemen's Association of the state to the fire department pension fund of this city. While volunteer firemen were active in early years, for a long time past the service has been mainly supplanted by paid departments, and the pension fund is no longer required by the former.

### A. J. Smith, E. S. Jarvis to Miami

NEW YORK, March 13.—A. J. Smith, president, and E. Stanley Jarvis, secretary of the Association of Local Agents of the City of New York, will represent the organization at the mid-year meeting of the National Association of Insurance Agents at Miami next week.

## Late News from the Casualty Field

### Outline General Schedule for H. & A. Conference Meet

The general outline of the plans for the annual meeting of the Health & Accident Underwriters Conference at the Book-Cadillac hotel in Detroit, June 11-14, was announced this week by Harold R. Gordon, executive secretary.

The entire day, Tuesday, June 11, will be devoted to the golf tournament at the Birmingham County Club and an entertainment program for non-golfers, which includes a trip to the River Rouge plant of the Ford Motor Company and to Greenfield Village and Edison Institute at Dearborn, Mich. In the evening dinner will be served for both golfers and those visiting the Ford plant at Dearborn Inn.

The business sessions will start Wednesday morning, June 12. By request of the executive committee, two of the business sessions will be devoted to consideration of topics devoted to legal matters and agency management. The

session on legal questions will be held Wednesday afternoon, in charge of Thomas Watters, Jr., Des Moines, chairman of the conference legal committee.

The program for June 13 includes the session on agency management in the morning, business session and executive session in the afternoon and the conference banquet in the evening. The session the morning of June 14 will be devoted to manual simplification and uniform phraseology, with final adjournment at noon.

### N. Y. Guaranty Fund Bills Pass Senate; Approval Sure

ALBANY, March 13.—The bills amending the compensation law by providing for two special funds to guaranty payment of claims against defunct companies and to handle future settlement of death and permanent total and total partial disability claims, passed the New York Senate Tuesday and are now before the Assembly, where its approval is considered certain.

### New York Compensation Gain

NEW YORK, March 13.—Net premium receipts on compensation business in New York state last year, totaled \$47,362,804, a gain of \$7,917,158 over

1933, according to Leon S. Senior, manager Compensation Insurance Rating Board of New York.

### Transport Mutual Liquidated

Liquidation of the business of the Transport Mutual Casualty of Indianapolis has been completed and final report filed with the insurance department. All claims and outstanding liabilities, including contributed surplus notes, were paid in full and receivership dismissed. Harold Jones was appointed receiver in a suit brought by one of the creditors in St. Louis, but the company completed its liquidation under an appeal bond with J. D. Johnston of Indianapolis, as liquidator. The assets were conserved and there was no loss to policyholders, claimants or creditors. The company was originally started by E. B. Lohman, Columbia City, Ind., and F. K. Ashby, Charleston, Mo., but was requested to discontinue writing business by the Indiana department when question arose as to the value of certain securities on deposit with the department.

G. J. Loos has been appointed district manager of the Pacific Mutual Life at Fort Wayne, Ind., succeeding J. L. Mueller, who resigned to join the home agency force of the Lincoln National Life. Mr. Loos has conducted the Loos Insurance Agency in Fort Wayne for 14 years.

## ANNUAL STATEMENT

# American Home Fire Assurance Company OF NEW YORK

J. S. FRELINGHUYSEN  
President

DECEMBER 31, 1934

### ASSETS

*Bonds and Stocks.....	\$1,857,923.41
Cash in Banks.....	58,632.48
First Mortgage Loans on Real Estate.....	484,380.00
Real Estate .....	30,000.00
Agents Balances (not over 90 days).....	137,808.90
Interest Accrued and Other Items .....	40,823.08

**Total Assets .....** \$2,609,567.87

### LIABILITIES

Reserve for Unadjusted Losses .....	\$ 89,336.00
Reserve for Unearned Premiums .....	459,156.73
Reserve for Taxes and Other Items .....	54,191.71
Capital Stock .....	1,000,000.00
Net Surplus .....	1,006,883.43

**Total Liabilities ...** \$2,609,567.87

\* Bonds carried on an amortized basis as prescribed by the New York State Insurance Department, Stocks are carried at December 31st, 1934 market quotations. On basis of December 31st, 1934 market quotations for bonds and stocks owned, this Company's total admitted assets would be increased to \$2,616,278.11 and the surplus to \$1,013,593.67.

Securities carried at \$249,359.00 in the above Statement are deposited as required by law.

**SURPLUS TO POLICY-HOLDERS — \$2,006,883.43**

## THE NATIONAL UNDERWRITER

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## PERSONAL SIDE OF BUSINESS

Harold F. Sears, resident adjuster at Bowling Green, O., for the Western Adjustment, died last Saturday. He had not been in good health for some time, but his death came as a shock to his friends. He had suffered the loss of two children and recently his father died.

He joined the Western Adjustment in 1920 and for several years had headquarters at Lima, O. About five years he was manager of the Toledo branch and he retired from that position to go to Bowling Green, because of his health.

B. G. Dawes, Jr., chairman of the board of the Eureka-Security, debated C. A. McCarthy of the Hamilton County Veterans Association in Cincinnati on the immediate payment of the soldiers bonus. The subject was, "Resolved, that the adjusted compensation certificates now held by World War veterans be immediately paid in full." Mr. Dawes took the negative.

Means Ray, local agent, has announced his candidacy for reelection as mayor of Jefferson City on the Democratic ticket.

Arthur M. Raymond of Chicago, manager in Cook county for the Travelers Fire, accompanied the body of his mother, Mrs. Laura E. Raymond, to Grand Rapids, Mich., where funeral services and burial were held. Mrs. Raymond was 85 years old and was the widow of M. H. N. Raymond, for many years state agent of the Connecticut Fire in Michigan. Mrs. Raymond made her home with her son Arthur in Oak Park, Ill., but spent the summers with her daughter, Mrs. F. Y. Rice of Manistee, Mich. Another son, George J. Raymond, is in the insurance business in Tyler, Tex. "Teddy" Raymond was one of the most forceful and picturesque field men of his day.

H. M. Giles of Chicago, president of the Millers National, and Mrs. Giles have gone on a cruise to the West Indies, visiting several ports of call en route. They will make an excursion to the Panama Canal.

L. P. Neuhart of the Neuhart & Lynch agency, Woodstock, O., a few days ago commemorated his 80th birthday anniversary and was guest of honor at a dinner given by the Woodstock Masonic lodge, which marked his 50th year as a member of the Masonic order.

Announcement is made of the marriage of George Charles Rice and Miss Virginia Barton Moisant at Kankakee, Ill., March 1. They will reside at 1260 East Orchard street in that city. The bride is the daughter of Shirley E. Moisant, prominent local agent and secretary Illinois Association of Insurance Agents.

Mr. Rice is from Urbana, Ill. He is manager of the Luna theater in Kankakee, which is part of the Publix-Paramount chain.

Mrs. Rice attended St. Mary's at Grand Rapids, Mich., and then graduated from "Downers" in Milwaukee. She is Mr. Moisant's only child.

Mark M. Jones of Albert Lea, Minn., died in Florida and was buried at his home last week. For 40 years he conducted one of the large insurance agencies in Albert Lea. He took an active interest in community work. His son, A. W. Jones, who had been affiliated with his father for the last 18 years, will continue the agency.

Clarence A. Cook of Indianapolis, state agent of the farm department of the Fidelity-Phenix Fire, has been elected trustee of the National Society of the Sons of the American Revolution. Mr. Cook is a past president of the Indiana society of that organization.

Robert C. Weigel, who has been elected secretary and comptroller of the

Rhode Island and Merchants Fire of Providence, has been assistant secretary and is one of the wheel horses in his organization although he is only 34 years of age. He joined the Rhode Island in May 1932 as comptroller and was elected assistant secretary and comptroller in December, 1933. He was advanced to secretary last December. He started his insurance career March 1, 1921, as assistant accountant in the United States office of the Royal in New York City. He joined the Queensland as chief accountant in July, 1926, and when the Phoenix of London got control of the Queensland he located with the United States office of the former company.

Douglas Holmes, a director of C. W. Sparks & Co. of New York, who has a large place at Cos Cob, Conn., has recently bought a bloodhound, thereby causing much comment among his friends. Some say he got the dog to keep track of his small son, aged 7, when he wanders away from the house. Mr. Holmes, while he admits this possibility, says that the dog is fast transferring all its attention to him.

Charles Weller, head of the brokerage and service departments of the North British & Mercantile, and S. T. Shotwell of the inland marine and automobile departments, both of whom are secretaries, are planning a trip through the south following different itineraries and visiting the company's representatives.

W. E. Maynard, vice-president Providence Washington, following a tour of Texas agencies, accompanied by Mrs. Maynard, visited Monterey and Mexico City with J. B. Roark of the Texas General Agency Company, San Antonio and Mrs. Roark, spending two weeks in Mexico City and nearby points.

W. H. Harrison, Iowa state agent National of Hartford, discussed "The All-Risk Automobile Policy" from station WHO, Des Moines, Saturday evening.

Mrs. Eugenia W. Bierce, wife of W. B. Bierce, president of the Bierce & Sage agency of Detroit, Wayne County managers for the Farmers Fire and Standard Fire, died last week while visiting in Albany, N. Y.

George Jordan, marine secretary of the Fireman's Fund, was a visitor in Chicago. He had been in the east conferring with the staff of the company's marine department there and stopped off in Chicago to confer with the staff of the western marine department.

The North America has published a volume "To Have and to Hold," which is being furnished to any insurance man upon request. It is a brief resume of "the origination, growth and romance of modern property insurance." It is attractively illustrated and bound.

The formation of the first tribe of cavemen for collective protection, the book maintains, was basically the application of the principle upon which the institution of property insurance was founded. The same principle later gave expression to the founding of the first village, formation of the first armed corps of police or soldiery.

The story of marine insurance is traced to the efforts devised by the ancient Chaldean traders, to the aim of the early Chinese merchants for circumventing the hazards of the Yangtze river, to Lloyds Coffee Shop, etc.

The beginning and growth of fire and marine business in the American colonies is traced to the development of fire-fighting methods with mention of early American fire marks.

## More Efficient Service by Agents

ATTENDANTS at the semi-annual meeting of the New Jersey Association of Underwriters at Trenton were greatly impressed by the stirring plea of LEON A. WATSON, official rating expert, that they stress far more than has been done thus far, the importance of loss prevention. He maintained that in offering suggestions to property-owners as to practical measures for reducing the fire hazard, agents would be extending a service of the utmost value and one that would be highly appreciated by their clients. He would have service of this nature constitute the main solicitation of the local men, with the sale of indemnity as secondary.

The NATIONAL BOARD, through its engineering staff, its conservation and other departments, spends thousands of dollars year after year in educating communities and individuals along lines of fire prevention. The same holds with respect to accident prevention service by casualty companies, individually and collectively through the medium of the NATIONAL BUREAU OF CASUALTY & SURETY

UNDERWRITERS. Many large brokerage houses maintain engineering staffs, the function of which is to recommend fire protection measures to clients, actual or prospective. The marked reduction of the country's fire waste that has taken place in each of the past two years unquestionably was due in degree to the combined efforts of the companies put forth in such connection.

Local agents as a rule, however, have not taken so keen an interest as they should along these lines. Certainly in the matter of recommending fire prevention measures, they have not been in step with their casualty associates in accident prevention work. Mr. WATSON is in position to know the value of fire prevention service, for thousands of risks pass under the review of his office each year, and it is his duty to measure their hazards. As a result of this knowledge he realizes the wide field afforded for local men to make recommendations to their clients and strongly counsels this be done systematically. Here is a broad field for the local agent.

## Committee on Non-Concurrence

THE NATIONAL BOARD's committee on adjustments has pursued a wise course in appointing a special committee on non-concurrence. Disputes often arise as to the apportionment of losses where policies are not concurrent. This committee will act as an arbitration committee and be composed of men eminent in their line so that the companies can be assured of efficient and intelligent treatment. Local agents can do much in their work to adjust policy forms where they are allowed to scrutinize and

study the policies and their coverage. Non-concurrence arises chiefly where a number of agents are interested on the same risk and each is pursuing his own bent. Uniform forms have done much to alleviate the situation. There are times, however, when companies were found on risks with insuring clauses that are not in conformity with others. These nearly always result in dispute. The appointment of the committee should do much to have these settled fairly and amicably.

## Sure Way to Lose a Cause

SOME insurance field men are inclined to be temperamental and allow the emotional qualities of their mind to overrun them. They are easily swayed by the sentiment of the hour. They are elated if success comes to them and at once they are transported into the higher atmosphere. They are just as easily cast down when some obstacle is thrown in their way or a discouraging feature overtakes them.

There is a great zest in winning victory and one gains momentum when he is accomplishing something of importance. However, these discouragements and times of depression will come. When one allows, however, experiences of this kind to master him, he is useless in the battle. He has lost the cause before he even starts to fight. Discouragement will lead to real reason for being discouraged.



## 5—INTERNATIONAL REPUTATION

The **COMMERCIAL UNION GROUP** guards jealously the high esteem which Agents, Brokers and Policyholders everywhere have for each individual Company.

The advantage of placing your clients' insurance through an organization, such as the Commercial Union Group, is not alone in the financial strength, future protection, service and loss settlement, but is also found in the superior facilities which only an international organization can render.

One of the **5** Reasons  
WHY THESE  
COMPANIES

**COMMERCIAL UNION ASSURANCE COMPANY, LIMITED**

**THE OCEAN ACCIDENT AND GUARANTEE CORPORATION, LIMITED**

**AMERICAN CENTRAL INSURANCE COMPANY**

**COLUMBIA CASUALTY COMPANY**

**THE CALIFORNIA INSURANCE COMPANY**

**THE PALATINE INSURANCE COMPANY, LIMITED**

**THE BRITISH GENERAL INSURANCE COMPANY, LIMITED**

**UNION ASSURANCE SOCIETY, LIMITED**

**THE COMMERCIAL UNION FIRE INSURANCE COMPANY**

(Stock Companies)

**Are preferred by Agents, Brokers and Policyholders**

# **COMMERCIAL UNION GROUP**

ONE PARK AVENUE, NEW YORK

CHICAGO

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SAN FRANCISCO

*These Companies Write Practically All Classes of Insurance, Except Life*



# FIRE INSURANCE NEWS BY STATES

## MIDDLE WESTERN STATES

### Governor Signs Indiana Code

**Bill Sailed Through Legislature with Surprisingly Little Opposition—Insurance Statutes Are Now Orderly**

INDIANAPOLIS, March 13.—The measure recodifying the insurance laws of Indiana has been signed by Governor McNutt and is now a law. During much of the past year the insurance department and the attorney general's office have been working overtime in drafting the bill which has finally become enacted with surprisingly little opposition. A number of changes were made in the original draft as result of submission to all parties interested.

It is believed this gives Indiana one of the best codes in the country and already other states have been asking for copies. The insurance laws had attained a patchwork condition with the passage of various measures throughout the past 80 years or more. With the adoption in 1852 of the present state constitution, laws regulating insurance have been enacted by almost every session of the assembly. No attempt up to the present time had been successful in coordinating the various statutes.

#### Past Attempts Abortive

In 1873 the assembly had this matter up for consideration and again in 1883, 1897, 1899, 1901 and 1915, years in which much insurance legislation was enacted. In 1919 the measure was passed establishing an insurance department. The need for coordination was apparent to the first commissioner who recommended in his first report in 1921 that there be a recodification. In succeeding reports of 1922, 1924, 1925 and 1926 will be found similar recommendations. In 1929, the assembly authorized appointment of a commission for purpose of recodification. The committee was appointed but no report was received.

Commissioner McClain states that insurance is not a day-to-day enterprise and it should so conduct itself between emergencies, economic and otherwise, as to be prepared to survive them. This function of riding over and leveling out emergencies is one reason and a partial explanation as to why state regulation has become imperative.

"In normal prosperous times," he points out, "there arises the temptation to profit and speculate with funds that flow in large quantities into the companies and the compelling voice of the state is needed to stay the hand of the ordinary mortal. It is obvious that there arises the necessity of a governmental policy to supply the long range vision that carries out the principle that the regulation that is to carry insurance companies over economic emergencies is the regulation that must be enforced in periods of normalcy.

"Needless to say, the obvious question is at what points in the insurance structure should regulation be applied to effectually safeguard the public interests. These matters we list: (1) Investments; (2) valuation of assets; (3) expenses; (4) dividends; (5) policy contracts; (6) premium rates (to a limited degree). To be adequate, regulation must touch those essentials."

#### Matteson Part-Time Secretary

ST. PAUL, March 13.—The Insurance Exchange of St. Paul has decided to retain H. S. Matteson on a part-time basis as secretary-treasurer, at least until the annual meeting in the fall, when some other arrangement may be made. Mr. Matteson has been acting as secretary-treasurer since the death of W. S. Gilliam.

### Cincinnati Has Good Record

**Fire Loss Last Year Was Less by \$47,000 Than During the Previous Year**

The report of the Cincinnati Underwriters Salvage Corps by Superintendent E. G. Ader shows a very efficiently conducted organization. Cincinnati has one of the lowest per capita fire losses of any of the large cities. The municipal administration of the city is efficient and thus every allied agency has profited thereby. The salvage corps has done much in the promotion of fire and accident prevention. The fire prevention work has been carried on through various media. Cincinnati has a population of 468,360. The per capita fire loss for Cincinnati was \$1.18. The fire loss was \$47,677 less than in 1933. Of the fires 2,258 were dwellings. U. and O. claims during the year in Hamilton county amounted to \$1,815 loss. Sprinkler leakage claims amounted to \$8,077. The total insurance loss in Cincinnati in 1934 was \$510,700 and the loss in the county outside of the city was \$237,506.

The insurance loss on buildings and contents in Hamilton county for sprinklered risks amounted to \$123,347. Of this \$42,132 was on buildings and \$81,215 on contents.

### Hold Southeast Michigan Regional Meet in Detroit

DETROIT, March 13.—All insurance agents in southeastern Michigan will be invited to attend the featured regional meeting of the Michigan Association of Insurance Agents here April 2 for Districts 1 and 2. The session will be held jointly with the Detroit Association of Insurance Agents.

The principal topic of discussion will be current legislative matters, as many bills before the legislature affect fire and casualty insurance and assured directly or indirectly. There will be a report on the National association meeting in Miami and follow-up action on matters that may be taken up at that meeting.

The Michigan association closed the first half of the fiscal year with 336 paid-up members and but 55 delinquents. So far 39 new members have been added under the direction of Executive Secretary George Brown and W. A. Doyle of Highland Park, chairman of the membership committee.

### Fight Develops in Sale of Big Agency in Sioux City

SIoux CITY, IA., March 13.—A. M. Davis, local agent here, has purchased for a reported \$7,500 the McManus-Sibert-Murdoch agency of Sioux City. Out of this purchase has come the appointment of a receiver of the McManus agency and affiliated concerns, followed by a stay pending appeal of the receivership order to the supreme court.

K. E. Innes, formerly of Waterloo, one of the well known agents of Iowa, is president of the McManus agency and he secured the appointment of Attorney B. L. Sifford as receiver, following the sale of the agency by E. E. Baron, executor of the J. G. Sibert estate and vice-president of the agency, and L. W. Clark of Omaha, secretary-treasurer of the agency. Mr. Innes claims he was not taken into the confidence of his fellow officers.

The receivership includes J. B. Innes, Inc., of Waterloo, formerly Innes-Hos-

tetter; L. W. Clark Company and the Underwriters Insurance Company, organized in Delaware as a holding company.

Under the leadership of Mr. Sibert and Mr. Innes, his nephew, the agency acquired some large target lines and has been especially aggressive. Elaborate offices leased a short time ago by Mr. Innes for a term of three years are involved inasmuch as Mr. Davis expects to move the McManus agency to his own location. Mr. Davis was last year president of the Sioux City Fire & Casualty Underwriters. Innes, Clark and Baron are the only officers of all the companies in controversy.

### Record Number of Licenses

SPRINGFIELD, ILL., March 13.—Insurance Director Palmer announces that the license branch has issued, as of March 1, approximately 50,000 agents' licenses and 6,000 brokers' licenses. March 1 is the date of the license year. Previously, he said, such a high total of licenses had not been issued until some five or six weeks later in the license year.

### Record of Constancy

The 50th anniversary of the H. O. Smith Company, Lexington, Neb., is being observed in March. When the agency started it had the North British & Mercantile, Hartford Fire, Continental and National of Hartford in the office, and it still represents these companies. The agency never has taken on any other companies, and thus never has resigned an agency.

### Arrest Unlicensed Agent

A. L. Spence of Elkhart, Ind., has been arrested and turned over to the sheriff of Steuben county at Angola, to answer charges of allegedly misrepresenting himself as an insurance agent. Spence had operated in Angola, Kendallville, Bluffton, Auburn, Pleasant Lake, Terre Haute and many other Indiana cities and towns. It is charged that he solicited advance premium payments for life, fire and health and accident policies which were not delivered. His chief activities are said to have been among teachers, beauty-shop proprietors and professional women. He used the names of J. L. Barry, O. L. Speas, George W. Stone, C. O. Sims, G. R. M. Smith and C. A. Lewis.

### Switzerland General Appoints

Ralph B. Innis, Inc., Commerce building, Kansas City, Mo., is now mid-continent manager of the Switzerland General.

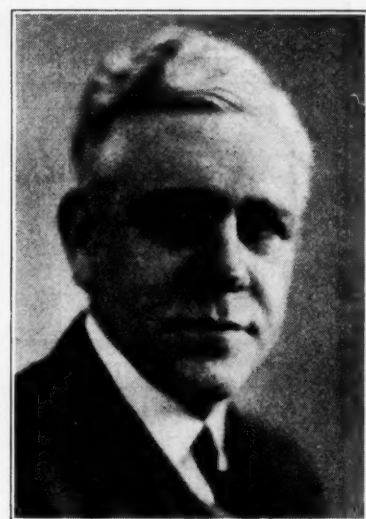
### Brokerage Ban to Stand

LINCOLN, NEB., March 13.—Insurance Director Moose has received a number of letters approving his ruling forbidding brokerage of business and requiring an agent writing insurance to have a license from the company with which it is placed. He has also received a number of protests from companies that favored continuing the old method. He says he is merely enforcing the law, and that there will be no modification. While the present plan has some advantages, he believes the evils overbalance them.

### Director Moose Talks

LINCOLN, NEB., March 13.—Legislation was discussed by Insurance Director Moose at a meeting of the Lincoln Life Underwriters Association. He emphasized the need for a department appropriation of \$100,000 a year. The director said that while a legislative committee had been named to investigate the department, no formal meeting had been held, no testimony taken and about all that has been done is to ask him a

### Named to Second Post on Cleveland Board Roster



DONALD E. HERREN

Donald E. Herren, vice-president and secretary of the Evarts-Tremaine-Flicker Company, newly elected vice-president of the Cleveland Board, is a native of Homeworth, O., having been born there 46 years ago. Just 25 years ago Manager T. B. Sellers of the Ohio Inspection Bureau gave him his first position. He transferred to the Missouri Actuarial Bureau at St. Louis in 1918, but later returned to Ohio and was again employed by Mr. Sellers. In September, 1919, he went with his present firm, being in charge of its fire insurance engineering department. In 1930 he was elected vice-president and secretary in charge of fire insurance. He has been a member of the board of trustees of the Cleveland Board since Feb. 8, 1932. He was in charge of the fire insurance course of the Cleveland Insurance Society. Last January he was elected its president.

few questions about certain companies. Mr. Moose said that he was convinced this was merely preliminary to passage of a pending bill to appropriate \$75,000 to investigate the department and all companies. He said that while there are a few bad spots that should be cleaned up it was within the power of the department to attend to these without the wide publicity that would result from a general investigation. He said the department could clean up all bad conditions if given sufficient money for investigations.

### Act Against Adjusters

ST. LOUIS, March 13.—The St. Louis Bar Association has opened a campaign against the alleged encroachment upon the practice of law by laymen, including public adjusters. It is held that in some instances adjusters have undertaken to advise persons, negotiated settlements and drawn legal documents affecting insurance policies.

### Rate Case Hearing Halted

The Missouri supreme court has issued an order, which has the effect of halting further proceedings in the fire insurance rate litigation before the Cole county circuit court. It has the effect of freezing the rate case in the state courts and it may be that there will be no further move in that case until the decision of the federal court in the 16½ percent rate increase case is handed down.

About \$1,500,000 has been paid into the state courts by the companies on



# LOYALTY GROUP POLICY

IN CONSIDERATION of the confidence reposed in us by a host of loyal agents, brokers and policyholders,

## WE AGREE:—

TO DESERVE the trust of our friends by faithful and enlightened care of their insurance problems;

TO PROVIDE unquestionable security in material resources;

TO GIVE trustworthy performance through the esprit de corps of an experienced staff;

TO MEET the challenge of a changing world with foresight to vision new conditions and courage to meet new needs;

TO PROMOTE the institution of insurance as society's most enlightened provision against life's mischances, extending its protection to an ever-widening field of human endeavor.

# LOYALTY GROUP

Firemen's Insurance Company of Newark, New Jersey, organized 1855

The Girard Fire & Marine Insurance Company	organized 1853	Milwaukee Mechanics' Insurance Company	organized 1852
The Mechanics Insurance Company of Philadelphia	" 1854	National-Ben Franklin Fire Insurance Company	" 1866
Superior Fire Insurance Company	" 1871	The Concordia Fire Insurance Company of Milwaukee	" 1870
The Metropolitan Casualty Insurance Company of New York	" 1874	Commercial Casualty Insurance Company	" 1909

**WESTERN DEPARTMENT**  
844 Rush Street, Chicago, Illinois  
**CANADIAN DEPARTMENT**  
461 Bay Street, Toronto, Canada

**EASTERN DEPARTMENT**  
10 Park Place  
Newark, New Jersey

**PACIFIC DEPARTMENT**  
220 Bush Street, San Francisco, Cal.  
**SOUTH-WESTERN DEPT.**  
912 Commerce Street, Dallas, Texas

**Age - Experience - Good Faith - Steadfast Support of Sound Insurance Principles**



Maybe you don't believe it, but J. C. Nicholson, of Winston-Salem, does. He sold 57 policies to 50 prospects and received commissions on \$1375 worth of business. Now he's a Camden Fire Fighter for life! Send for Portfolio of Proof.

**CAMDEN FIRE INSURANCE ASSOCIATION** • Camden, New Jersey

INCORPORATED 1799

## PROVIDENCE WASHINGTON INSURANCE CO.

of Providence, R. I.

Capital \$3,000,000

INCORPORATED 1928

## ANCHOR INSURANCE CO.

Providence, R. I.

Organized and Owned by the Providence Washington Insurance Co.

Capital \$1,000,000

Each of these Companies writes the following classes of Insurance

**FIRE—TORNADO—OCEAN and INLAND MARINE**  
AND THEIR ALLIED LINES

**AUTOMOBILE—FIRE, THEFT and COLLISION**

COMBINED POLICIES

**AUTOMOBILE—FULL COVERAGE**

**GOLFERS' EQUIPMENT and LIABILITY**

WITH

**MARYLAND CASUALTY CO.**

WESTERN DEPARTMENT: 175 W. Jackson Blvd., CHICAGO, J. R. Cashel, Mgr.

account of the hitherto unrefunded portion of the excess premiums collected under the original 10 percent rate reduction order. The two commissioners who have charge of administering the refund, will probably start hearings to go over the returns of the companies the latter part of April. It is not likely that they will call witnesses but the procedure will be confined to checking the reports.

### Fund Pays Out Million

BISMARCK, N. D., March 13.—Commissioner Harold Hopton has turned \$1,038,865 of the state hail fund reserves over to the state treasurer for relief purposes, most of the fund being distributed to needy schools. He has reduced the staff of the state hail insurance department as a result of the defeat of the compulsory hail insurance bill. Lars Siljan is still manager of the hail department.

The legislature defeated Mr. Hopton's proposal for an insurance department

expense fund of 8 percent of the department's revenue, which would double the department's present appropriation.

### Kansas City Get-Together

KANSAS CITY, MO., March 13.—Approximately 150 agents, field men and others attended the second annual get-together party sponsored by the Insurance Agents Association of Kansas City. Superintendent R. E. O'Malley was a guest.

### Butts With Gray Company

MINNEAPOLIS, March 13.—Ray G. Butts has been elected vice-president of the Fred L. Gray Company of Minneapolis in charge of special development and extension work. He was director general last summer of the international Shrine convention in Minneapolis.

Mr. Butts has been in insurance work 27 years, 25 years with his father and brother as a member of the Butts Agency, general agents of the John Hancock Mutual Life.

## IN THE SOUTHERN STATES

### Says Agents Have Obligation

Thomas, W. U. A. Manager, Tells Dallas Agents, as Beneficiaries of Organization Services, They Have Duty

DALLAS, March 13.—The organization stock fire insurance companies constantly render almost invaluable service to municipalities, to business firms and to individuals through their standards of construction, occupancy and processes and through their grading of water protection and fire department efficiency, Charles F. Thomas of Chicago, manager Western Underwriters Association, told the Dallas Insurance Agents Association at its membership meeting. He asked the agents if they ever tell their assured of these services so freely and efficiently rendered.

"Dallas, wishing to improve its fire fighting and fire prevention departments in order to reduce its fire losses, called on the National Board. Jay W. Stevens has made three visits to the city. Much of the credit for the present efficient department must go to Mr. Stevens," said Mr. Thomas. "Your city manager recognizes the service our stock fire companies can render and he has availed himself of it. In addition the local stock company agents have been most active in fire prevention and have financed the campaigns which certainly have made Dallas citizens fire-prevention-conscious."

Mr. Thomas said temporary periods of low burning ratios developed various forms of price competition for fire insurance business but such competition subsided when the fire losses became normal or abnormal. He reminded the agents that only by the method of broad average could premium charges be equitably stabilized. He detailed the various ways in which the American agency system is built upon and tied in with the facilities of the organization stock companies and intimated that as beneficiaries of the present methods the agents have an obligation to such companies.

Mr. Thomas spoke informally and unofficially to the agents as he was visiting friends in Dallas where for many years he was state agent for the Royal. He has spent some time in Mineral Wells on a vacation and is now en route home to Chicago.

### Terminate Protection Agreement

LEXINGTON, KY., March 13.—The contract between the city and county for furnishing rural fire protection has been terminated, although a temporary extension is in force. W. H. Bronson, Kentucky Actuarial Bureau, has called attention to the unprotected area. Unless new arrangements are made the fire rates may be increased.

### Installment Plan in Texas

Competition of General of Seattle in Commuting Term Premium Causes Consternation in the State

DALLAS, March 13.—Fire insurance agents in Texas are much concerned because of the competition of the General Seattle in its plan of selling five-year term business for four premiums, collecting the full premium the first year and for the next four years collecting 75 percent of the annual premium. It is requiring notes for future premiums and is charging no interest. The plan amounts to a reduction of 20 percent on the regular rate for a five-year contract.

For years the companies have been writing farm property on a three-year basis and collecting 2½ years premiums. For the first year cash was paid and then notes given for the remainder, the notes bearing interest. The same companies have been writing farm property on a five-year basis for four annual premiums, taking notes for the last four years. Lately some of these companies have eliminated the notes and the interest charges, selling the policy, say on a five year basis for four years premiums, collecting the first premium in full in cash and then collecting the others and the reduced rate as renewal times came.

The General of Seattle has applied the old five year-four premium farm property plan to city property. Local and general agents find it is a selling proposition and that it is taking business from them.

Most of the local agents would like to see their companies and general agents write the same kind of contracts. They say they will have to have these facilities to meet the competition.

Some agents point out that the company doesn't have to file a rate cut schedule with the commission to operate its plan. Hence, it can go back to former schedules any time it likes.

### Oklahoma City Oil Drilling Extension Causes Concern

OKLAHOMA CITY, March 13.—With the extension of the oil drilling area of Oklahoma City, voted by a big majority in the recent city election, insurance men are watching closely their lines on property in this area.

The present drilling area in the north-eastern part of the city is extended to within half or three quarters of a mile of Lincoln Terrace, an exclusive residential district, and to about a mile from the state capitol. Several applications for drilling in the new area have already been made and some of the large oil



companies are moving their drilling equipment to the city with the idea of starting wells as soon as possible after April 2, when the extension becomes effective. The territory affected extends through a thickly populated portion of the east side of the city, where smaller homes prevail.

Several insurance companies have already sent representatives to the city for investigation. It is believed they will consider reducing their lines and carry less liability in the affected area. Indications point to submission of other extensions at the coming municipal election within a few weeks. The city council ordered petitioners for further extension to be ready to submit their petitions at the next council meeting.

### Back 10 Percent Tax

JACKSONVILLE, FLA., March 13.—Municipalities are going to the extreme in seeking sources for tax money. The Florida league of municipalities is supporting a measure to empower municipalities to levy a tax of 10 percent on gross fire premiums. The cities are faced with the problem of filling the tax gap caused by the adoption of amendment last November exempting homesteads up to \$5,000 from state, county and municipal taxes. The legislature meets April 2.

### Hail Storm in San Antonio Results in Million Damage

SAN ANTONIO, TEX., March 13.—The most violent hail storm in the history of San Antonio damaged property in the business and residential sections to the extent of \$1,000,000 or more. The Fire Companies Adjustment Bureau estimates the loss claims as numbering between 1,200 and 1,500, with an average of \$100 per claim. It is estimated that the loss was insured to the extent of 33 1/3 to 40 percent in its various angles. The bureau has 20 adjusters on the scene and may send still others.

The storm, which lasted approximately 15 minutes, did comparatively little damage in the main business section of San Antonio, but business establishments lying toward the south and in the Highland Park district, which bore the brunt of the storm, were severely damaged. The damage to large windows was especially severe, and the roofs of many dwellings were completely destroyed.

The hail stones crashed through shingle roofs and tore some composition roofs to shreds, crashed out plate glass fronts, smashed windows by the hundreds and mutilated automobile tops, windshields, cowls and doors. The extent to which automobile losses are covered is uncertain. Such coverage is granted by rider for an additional premium.

The losses on homes on which the HOLC held mortgages must be adjusted with a representative of the HOLC sitting in, according to information given local agents. Agents here believe this will unnecessarily delay the settlement of just claims.

It is found that many assured carried policies in carriers not represented in Texas. As a consequence the buyers of such insurance are learning the value of the local agent's service.

### Virginia Miami Delegation

Among the Virginians planning to attend the meeting of the National Association of Insurance Agents in Miami are F. S. Blanton, Farmville, secretary-treasurer of the Virginia association; Louis E. English, Richmond general agent, and W. Owen Wilson of Richmond, National association executive committeeman and former president of the Virginia association.

### Activity at Atlanta

At Atlanta, Ga., the National Fire Protection Association reports the fire prevention committee of the chamber of commerce reorganized in October already has a record of accomplishment. Study courses on fire prevention have been introduced in all the schools. An ordinance designed to reduce grass fires has been adopted. Recommendations of the committee for a new department headquarters and some central fire alarm station are being acted on.

### Would Enjoin Association

The Dillard agency of Asheville, N. C., has filed a petition for an injunction to restrain the officers and executive committee of the Asheville Fire & Casualty Insurance Agents Association from allegedly attempting to disqualify the Dillard agency from the association without cause. The bill recites that the Dillard agency has a property right in the membership of the association and the agency has not been charged with any violation of by-laws.

### Southern Notes

H. A. Mercer has opened a local agency at Crystal City, Tex.

J. P. Montgomery, president of the Montgomery Insurance Agency, White-wright, Tex., was found dead in his home there from a heart attack. He had been in the insurance business 15 years.

G. A. Blue and F. G. Caskey of Sherman, Tex., have formed the Blue & Caskey agency there. They are district agents of the Southland Life of Dallas and are writing other lines of insurance.

## PACIFIC COAST AND MOUNTAIN

### Agent-Company Rift Wider

Emphasized by New Developments in California, Washington — Mitchell Opposes State Rating Bill

SAN FRANCISCO, March 13.—Two conditions have developed in the fire insurance business in California which have tended to make more acute the present breach between companies and agents, created by the agents' sponsoring legislation for state regulation of fire and casualty rates and the regulation, examination and supervision of state rate making by the insurance department.

One interesting condition arises from the withdrawal by companies doing business in Washington of their opposition to the rate filing bill supported by Commissioner Sullivan, which would grant the commissioner increased powers in controlling rates. According to a report in managerial circles here, most of the companies oppose this legislation and are now complaining that the opposition was withdrawn without their being con-

sulted. The California agents, in making the fight for their bills, ask why the companies continue to oppose rate filing in California when they do not oppose drastic legislation in Washington.

### Conference Invitation Questioned

Charges and counter-charges also are made by agents and companies over the question of whether the board companies were invited to confer with the agents prior to the introduction of their bills. Company managers denied having received the invitation but later it was discovered that the agents had communicated with company members of the board holding office in that organization, verbally and later by correspondence, suggesting such conference. According to report, the invitation to confer was specifically to discuss phraseology of the bills or changes that might "better the proposed legislation" which the agents were determined to introduce, rather than whether or not such legislation would be sponsored by the California Association of Insurance Agents. It was a foregone conclusion that the agents would introduce the rate regulatory bill, as they have made public for

# 1794 1935

THE INSURANCE COMPANY  
OF THE  
STATE OF PENNSYLVANIA  
PHILADELPHIA, PA.

### ANNUAL STATEMENT December 31, 1934

Reserve for Unearned Premiums	\$1,658,641.67
Reserve for Losses Under Adjustment	222,651.91
Reserve for Taxes and all other Claims	152,295.71
CASH CAPITAL	1,000,000.00
NET SURPLUS	1,164,346.10

TOTAL ASSETS \$4,197,935.39  
SURPLUS TO POLICYHOLDERS \$2,164,346.10

Actual Market Value

Acquire  
THE OLD "STATE OF PENN"

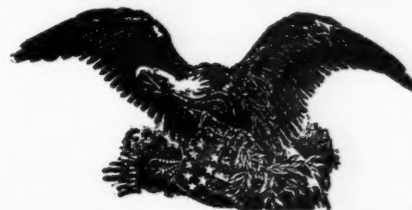
## NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

90 John Street - - - - - New York City

FIRE - AUTOMOBILE - WINDSTORM  
BUSINESS INTERRUPTION INDEMNITY



PROGRESSIVE, YET CONSERVATIVE

WILLIAM H. KOOP,  
President  
ALEXANDER R. PHILLIPS,  
Vice-President

GERALD D. GREGORY,  
Vice-President  
WILLIAM O. McLELLAND,  
Vice-President and Secretary

American National Fire Insurance Company  
Columbus, Ohio  
AN ASSET TO YOUR OFFICE

*Fire Reinsurance*

# INTERNATIONAL INSURANCE COMPANY of New York

Statement December 31, 1934

ASSETS		LIABILITIES	
Cash in Banks & Trust Companies.....	\$ 306,404.59	Reserve for Unearned Premium.....	\$1,429,975.49
*U. S. Government Bonds	1,157,317.00	Reserve for Losses.....	326,779.11
*All other Bonds and Stocks.....	3,304,404.57	Reserve for all other Liabilities.....	100,000.00
First Mortgage Loans....	278,000.00		<u>\$1,856,754.60</u>
Net due from Insurance Companies.....	101,525.96	CAPITAL....	\$1,000,000.00
Accrued Interest.....	25,591.10	SURPLUS ....	<u>2,316,488.62</u>
	<u>\$5,173,243.22</u>	SURPLUS TO POLICYHOLDERS....	3,316,488.62
			<u>\$ 5,173,243.22</u>

\*Valuation on basis prescribed by National Convention of Insurance Commissioners. On basis of December 31, 1934, market quotations for all Bonds and Stocks owned, the Total Admitted Assets would be increased to \$5,236,957.91 and the Policyholders Surplus to \$3,380,203.31.

SUMNER BALLARD

*President*

80 JOHN STREET, NEW YORK



*Fire Reinsurance*

# SKANDINAVIA

## INSURANCE COMPANY, Ltd.

*United States Branch*

Statement December 31, 1934

ASSETS		LIABILITIES	
Cash in Banks & Trust Companies.....	\$ 222,033.01	Reserve for Unearned Premium.....	\$1,116,633.30
*U. S. Government Bonds	978,554.92	Reserve for Losses.....	209,938.35
*All other Bonds and Stocks.....	394,097.23	Reserve for all other Liabilities.....	55,000.00
First Mortgage Loans....	446,100.00		<u>1,381,571.65</u>
Real Estate.....	60,000.00	STATUTORY DEPOSIT....	\$200,000.00
Net due from Insurance Companies .....	141,724.54	SURPLUS.....	<u>676,299.54</u>
Accrued Interest.....	15,361.49	SURPLUS TO POLICYHOLDERS ....	876,299.54
	<u>\$2,257,871.19</u>		<u>\$2,257,871.19</u>

\*Valuation on basis prescribed by National Convention of Insurance Commissioners. On basis of December 31, 1934, market quotations for all Bonds and Stocks owned, the Total Admitted Assets would be increased to \$2,273,165.88 and the Policyholders Surplus to \$891,594.23. Securities carried at \$311,278.92 in the above statement are deposited as required by law.

SUMNER BALLARD

*United States Manager*

80 JOHN STREET, NEW YORK



**NATIONAL UNION  
FIRE INSURANCE  
COMPANY**  
Pittsburgh, Pa.

"The success of any endeavor in business life is dependent upon the complete cooperation of everyone with his associates \* \* \* \*"

—W. J. O'Mally

**A  
Good  
Agency  
Company**

the past three years their intention to seek such legislation.

In the meantime, opposition to the measure has been pushed aggressively by company executives and field men, who claim the proposed bills are faulty, with provisions impossible of enforcement.

**Mitchell Opposes Agents' Bills**

Commissioner Mitchell in a digest of all insurance measures, strikes at the agents' proposals and another similar bill introduced by a San Francisco legislator. He says present company rate making organizations are far superior to anything the insurance department could develop within the short time before the law would become effective if adopted. The bill seeks, apparently, to exempt marine, life and disability insurance and the following "types of insurers," county mutual fire, title, workmen's compensation and mortgage. He points out, however, that it casts doubt on the applicability of the exemption clauses to rating organizations maintained by exempt types of insurers.

"Such bureaus, although definitely concerned with 'insurance' of the classes involved, are not 'insurers,'" he says "and, under a strict interpretation of the language of certain exemption clauses of the bill, not exempt from its provisions." He further points out that "the bill, while subjecting interinsurance exchanges to its provisions generally, exempts them from its penalties."

Another point against the proposed legislation is that it would require the services of trained and experienced examiners, accountants, engineers, actuaries and other specialists, and that, although the bill provides for an increase of agents' license fees from \$2 to \$5, presumably to take care of additional expenses of the department, the additional money collected would not be available to the department unless expressly appropriated to its use. He concludes his comment by saying: "Without in any way desiring to detract from the principle inherent in this bill, the division of insurance, upon careful reflection, is in duty bound to caution against its enactment."

**Reelect Credit Group Officers**

LOS ANGELES, March 13.—At the annual meeting of the Insurance Credit Clearing Association of Los Angeles, H. H. Methmann, manager Fireman's Fund Indemnity and Occidental Indemnity, was reelected president, together with Robert Armstrong, Swett & Crawford, vice-president; Paul Emme, Fidelity & Casualty, secretary, and H. Everett Charlton, Seyler-Day Company, treasurer. On the executive committee are G. F. Houghton, F. A. Spear, Ray Mitchell, Roger Williams, W. M. Scott and David Ayre. H. W. Holmes, manager of the association, reviewed the work of the organization in 1934, including a statement of the financial results.

**Aiken Los Angeles Manager**

J. C. Aiken has been appointed manager of the southern California branch office of Rathbone, King & Seeley in Los Angeles. He is transferred from the head office of the general agency in San Francisco, where he has been for several months. He was formerly with the Firemen's group as branch manager at Oakland.

**Portland Exchange Elects**

PORTLAND, ORE., March 13.—George W. Haerle of the Charles W. Sexton Company was elected president of the Portland Insurance Exchange at the annual meeting. Others elected were: J. D. Neilan, Neilan & Parkhill Company, vice-president; Oliver Yale, treasurer, and H. C. Pownall, secretary. The exchange is now in its 15th year.

**Closer Cooperation Sought**

LOS ANGELES, March 13.—An informal joint dinner-meeting in Los Angeles, attended by executives of the Special Agents Association of the Pa-

cific Southwest, Casualty Association of Los Angeles and officers and members of the governing committee of the Insurance Exchange of Los Angeles, was devoted to discussion of the desirability of more active cooperation between the agency offices in the city and the managers and company field men. The establishment of an informal organization of these three groups was earnestly urged as a forward step and efforts along this line are now being made.

**Legislation Californians' Topic**

The spring meeting of the executive committee of the California Association of Insurance Agents was held in Los Angeles. Principal discussion centered on pending legislation, particularly the state rate regulatory measure now before the legislature, sponsored by the association. Frank Colridge, executive secretary of the association, is spending considerable time at Sacramento in connection with pending legislation.

Headed by President E. R. Pickett, a number of representatives of the California association will attend the mid-year meeting at Miami, including Eugene Battles, past president and member of the National executive committee; W. H. Menn, another past president; Harry Johansing, president Los Angeles Insurance Exchange, and M. E. VanSant, all of Los Angeles.

**Women to Hear Mrs. Closser**

Mrs. M. G. Closser of the W. P. Jarvis Agency of the Mutual Benefit Health & Accident in Oakland, will speak before the San Francisco Insurance Women's League the evening of March 20 on accident insurance. Oliver Kehrlein, Aetna Casualty, will show that company's safety film, "Saving Seconds." Publication of a monthly bulletin has been inaugurated by Miss Maritza Barkofcy of the Great American and Phoenix, president of the league.

**Adjust Washington Lumber Loss**

The fire which destroyed a major part of the plant of the Buchanan Lumber Company of Wenatchee, Wash., is being adjusted by George Lauer of the Fire Companies Adjustment Bureau. Early estimates place the probable loss at about \$125,000.

**Adjustment Bureau Changes**

DENVER, March 13.—While in Denver en route back to New York from a Pacific Coast trip, G. W. Lilly, manager Fire Companies Adjustment Bureau, effected several changes in the personnel of the Denver branch office, which has jurisdiction over Colorado, Wyoming and New Mexico. R. G. Wigley is called from Phoenix, Ariz., and Glen Oliver from Pueblo, Colo., to the Denver headquarters, while Joe Green of the Denver office was advanced to branch manager at Pueblo.

**Wants Larger Appropriation**

SALT LAKE CITY, March 13.—Commissioner E. A. Smith is aggressively sponsoring a measure to increase the insurance department appropriation from the present \$6,000 to \$19,000. This would provide a deputy commissioner, chief examiner, two field men and other assistants. At present the commissioner has only a stenographer as aid. The insurance companies have paid an average of \$245,000 a year in taxes in the last five years, only 2½ cents out of every tax dollar going to supervision.

**Averill Pictures Home Hazards**

Demonstrating the truth of the old slogan that "a picture is worth 10,000 words," A. H. Averill, insurance commissioner and state fire marshal of Oregon, has issued several thousand large broadsides containing a large drawing of the average dwelling, which depicts the numerous fire hazards. The hazards are taken from a study of the actual fire records in Oregon, which show that by far the greater number

of fires occur in homes. The hazards indicated in the illustration are those which appear to be the most frequent causes of fires over several years past.

Commissioner Averill says this broadside will be used as the backbone of a strenuous fire prevention campaign. It is the first step in a state-wide inspection campaign and the sketch will be utilized as a guide for inspectors.

**Launch Specialty Loss Section**

SAN FRANCISCO, March 13.—A new department, to confine its operations to the adjustment of automobile, casualty and other miscellaneous lines, has been established in the Pacific Coast office of the Fire Companies Adjustment Bureau. Special men have been assigned to this type of work in each of the branch offices in the Pacific department. The recent conference of all the branch office managers in San Francisco was also attended by most of the company loss men, who participated in the preparation of the special report forms and schedule of fees to be charged.

W. J. Jacks, a veteran in the San Francisco office, has been appointed supervisor of the new section and all adjustments throughout the territory by the specialty men assigned will be under his supervision.

**Get Commercial Union in Northwest**

The Commercial Union of New York has appointed the Stuart G. Thompson-Elwell Co., Seattle, general agents for all lines in Washington and Idaho.



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Co., New Amsterdam Cas. Co., Preferred Acc. Ins.  
Co., Royal Ind. Co., Standard Acc. Ins. Co., Amer.  
Surety Co., General Acc. Assur. Corp., Mass. Bond-  
ing & Ins. Co., Ocean A. & G. Corp., U. S. Cas.  
Co., Pacific Mut. Life, Great Northern Life, Lincoln  
Natl. Life, Mass. Protective Assn., and other lead-  
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## Eastern States Activities

### Analyzes Expense Elements

George C. Long, Jr., Says Substantial Savings Could Not Be Made Without Causing Injustices

George C. Long, Jr., vice-president of the Phoenix of Hartford, in an address before the Insurance Institute of Hartford analyzed the expenses of fire insurance companies, indicating the impossibility of effecting substantial savings with justice to all interests.

He pointed out a certain element of cost is uncontrollable, since the companies are made tax gatherers for state and federal government and many municipalities. The burden is increased by state requirements lacking in uniformity and, in large part, doubtful value of the state function of supervision.

The cost includes the great public service of guidance in building construction and fire prevention and protection, which has contributed so largely to the physical evolution and preservation of American cities.

The companies bear the cost of inspection and rate making machinery which stabilizes the rates by application of scientifically established schedules, and serves as a constant stimulus to protection of life and property.

The salaries of executives, he said, are on the whole moderate and quite in keeping with the character of service offered and the prevailing market for such service.

For the most part, he contended, the commission cost is reasonable as measured by the requirements of business developed and the measure of company control permitted by the state. Any arbitrary reduction in the commission element would involve an injustice to established producers and a curtailment of the services rendered by them.

### Pearl in Two New States; Names Love General Agent

Admission to Pennsylvania and Delaware has been secured by the Pearl, increasing to 42 the number of states in which it is now licensed.

Hugh Love of Wilmington has been given the general agency of the Pearl for Delaware, and at the same time secured the representation of the Federal of New Jersey, for both its fire and marine departments.

### Great Jam of Bills

ALBANY, N. Y., March 13.—Indicating the volume of insurance legislation before the New York assembly this season is the fact that the assembly insurance committee, one day last week, held a hearing on 75 bills. The legislature is trying to adjourn by March 22.

### Rockland County (N. Y.) Elects

The Rockland County (N. Y.) Association of Local Agents has elected Alan Leggett, Nyack, president. Other officers chosen are Peter Murdock, Spring Valley, vice-president; F. D. Spreen; Pearl River, secretary, and G. W. Basley, Haverstraw, treasurer.

### Delaware Agents Elect

The Delaware Association of Insurance Agents has elected R. G. Hackett of Wilmington, president; William Ferguson, Bridgeville, first vice-president; John Kent Kane, Jr., Wilmington, second vice-president; A. Willis, Wilmington, secretary-treasurer.

### Hartford Club Charity Project

HARTFORD, March 13.—The Two Hartfords Men's Club gave a minstrel and dance, proceeds of which will go to summer camps for underprivileged children.

dren maintained under the auspices of the two Hartford newspapers. J. L. D. Kearney, president, Hartford Accident, and A. W. Tyrol, newly elected secretary of the Hartford Fire, were in charge.

#### Hear Talk on Baseball

William Brewster, a baseball writer for the Associated Press, talked on baseball before the Insurance Square Club of New Jersey in Newark, Monday evening with more than 100 in attendance.

## Motor Insurance Events

### Ten-Day Extension of Cover to New Car Rule Adopted

NEW ORLEANS, March 13.—Owners of cars insured for fire and for combination fire and casualty may be automatically insured for a 10-day period on newly acquired cars to replace their former cars as the result of a provision adopted by the state insurance commission. The action applies in the case of all cars newly acquired and replacing cars formerly insured by the insurance company, providing they are being used for the same purpose as the policy stipulates. Dealers' automobiles, automobiles insured under finance plans and those insured at fleet rates are not included. The automatic coverage of the newly acquired car is not to exceed the actual cash value of the vehicle acquired, according to the measure. If the insurance company has not been notified within 10 days of the delivery of the car and the proper premium adjustment has not been made, the new car is no longer covered by the old policy.

### Cuthbertson Heads the Auto Superintendents in Chicago

W. H. Cuthbertson of the North America was elected president of the Automobile Superintendents Club of Chicago at the annual meeting. Vice-president is L. L. Sanders, National of Hartford; treasurer, A. E. Lehman, North British & Mercantile, and secretary, J. M. Japenga, National Automobile Underwriters Association. The executive committee consists of A. O. Anderson, Fireman's Fund; Earl Gibbs, Boston, and C. O. Goodwin, Great American.

Mr. Goodwin, the retiring president, was presented with a telechron motored Westminster chime mantel clock.

#### Position on Glass Breakage

The question of whether glass breakage is covered under the comprehensive automobile policy in use in all states

except Michigan, continues to be of considerable interest. Apparently three different positions are being taken by the companies. Some are refusing to pay glass breakage claims of any kind under the comprehensive form. Others are paying for glass breakage under any circumstances. Others are making a distinction. If the glass is broken by the slamming of a door, or by a stone being flipped against the window or windshield, or, in other words, if the break-

age of glass is not associated with any other casualty to the car, then liability is admitted under the comprehensive form.

However, if glass breakage is incidental to a real collision in which the car is generally smashed, then liability is denied under the comprehensive form. Companies taking this position contend that in a collision, glass breakage is only one item of damage and must be indemnified under the collision item, if any.

## MARINE INSURANCE NEWS

### Finds Excessive Liberality

W. F. Heley, Addressing N. Y. Society, Says Many Don't Properly Interpret Personal Effects Exclusions

NEW YORK, March 13.—W. F. Heley, manager inland marine loss department Automobile of Hartford, delivered the lecture this week for the New York Insurance Society's inland marine course. His subject was "Losses and Loss Adjustments Under the Personal Effects Floater Policy."

He said there is confusion in connection with the exclusion of coverage on household furniture. "The average person," he said, "seems to think that this only includes articles of a bulky nature. The common definition, however, specifies articles of convenience or decoration used to furnish a home and it is not too much to say that everything in the home for general use would fall within the exclusion. Many companies do not apply a literal interpretation and so pay claims which they could disclaim." Another exclusion is that of merchandise for sale. The policy does not include property specifically or otherwise insured.

The personal effects floater is an all risks coverage, protecting the property except when on the premises of the assured or stored in a warehouse or belonging to students domiciled on school or college grounds.

A fair method of settlement is to determine the cost of the article, the use it has had, its condition at time of loss and apply a reasonable amount of depreciation. One of the most important features of this coverage, according to Mr. Heley, is that every claim paid reduces the amount insured by that sum unless same is reinstated by the payment of an additional premium. He pointed out the wisdom of reinstating it.

The policy has a liability limit for jewelry of 25 percent of the total amount of the policy or not more than \$500 for any one article. In adjusting jewelry claims, the question often arises as to whether the company should replace the lost article or pay the full valuation set out in the policy. Often assured are glad to have the article replaced and the matter disposed of in

that way. Mr. Heley concluded with a brief description of other coverages, such as stamp collections, furs, musical instruments, wedding presents and fine arts.

### Tourist Trade Is Stimulated

Many People Are Taking Advantage of the Various Attractions Offered for Trips

NEW YORK, March 13.—Thanks to the widespread and most attractive advertising practiced by steamship, railway and bus lines, tourist business during the past month or so was greatly stimulated, while bookings for March, the various agencies report, has forced a number of the transport lines to add to former schedules. Along the Atlantic coast the trek of the pleasure seeker is largely to the southland, both by rail and steamer, cruises to the West Indies and through the canal to California being in special favor. From the west coast vessels sailing for Hawaii are largely patronized. Though European travel in recent months fell far below that of corresponding periods in previous years, largely because of the depreciated dollar, several of the trans-Atlantic lines report such an increased demand for accommodations, that added steamers have been pressed into service.

#### Demand for Tourist Baggage Cover

The gain in travel has had a stimulating influence on the tourist baggage line, companies specializing in writing this form of coverage reporting a marked gain in income. While touring in former years was mainly confined to certain seasons, the transportation industry has arranged appealing tours fitting practically every month of the year. The move of the restless American who is financially able to indulge in the hobby is now almost constant. This naturally creates a broader field for tourist baggage insurance. All contracts are written, not for restricted terms, but upon an annual basis; the minimum rate of \$20, providing coverage for \$666.66. Many policies are sold for large amounts, especially to those making extended sea voyages. Tourist baggage insurance is a side line, easy to sell, and one that offices pushing it have found decidedly attractive.

### Tennessee Cargo Decision

Liability Fixed for Turbine Loss While Transported by One Carrier, as Agent for Another

An interesting decision has been handed down by the Tennessee supreme court as to liability for loss of a turbine while being transported by one motor truck carrier, while the turbine was in technical custody of another motor truck carrier. The case was Johnson Transfer & Freight Lines, et al., vs. American National Fire, et al.

The General Electric Company delivered to the Highway Express Company at Atlanta, a turbine field for shipment to the DuPont Rayon Company at Old Hickory. The Highway Express issued a through bill of lading, routing the

shipment over its own line and the line of the Johnson Freight Line. The turbine was loaded at Atlanta upon a semi-trailer of the Highway Express and safely hauled to Chattanooga where the semi-trailer was turned over, and attached to a tractor of the Johnson company. While in the custody of the Johnson company, the turbine was badly damaged.

The Highway Express carried a cargo policy with the American National Fire for \$5,000, while the Johnson company had a policy with the Western Assurance for \$2,000.

The Western Assurance policy contained a rider, indicating that the contract was issued to enable the Johnson Company to comply with the code provisions of the state.

The high court held that since the Western policy was issued for the express purpose of enabling the Johnson company to comply with the statute, the provisions of the statute enter into and become part of the policy. Such provisions override and supersede anything in the policy repugnant to such provisions.

The Western urged that the policy only undertook to protect general merchandise and the turbine was not within the protection of the policy. The higher court held it was property, not merchandise, which the policy covered. While a turbine would not be regarded as merchandise, if handled by a country store, it may properly be described as merchandise when handled and shipped by the General Electric.

#### Trailer Question Raised

Another point was raised that the policy had no provision insuring a trailer. However, the court said the policy insured goods "loaded for shipment and in transit in or on automobiles operated by the assured." None of the defenses by the Western Assurance, are good, the court said.

The American National is not liable. Although it is true that a connecting motor carrier, handling a through shipment, is regarded as the agent of the initial carrier, nevertheless, section 5483, prescribing the terms of the carriers bonds or insurance policies, had in mind that such obligations would cover loss or damage to property while in the actual possession or under the actual control of the carrier insured, rather than in the carrier's technical possession or custody. No insurer, the court pointed out, would knowingly contract to answer the default of unknown carriers, indiscriminately.

### National Retailers Enters Inland Field; Osborn Head

The National Retailers Mutual Fire of Chicago has now entered the inland marine field and has established a department. The activities will be in charge of T. L. Osborn, Jr., who has been connected with the James S. Kemper organization for some time. He is a son of T. L. Osborn of the Osborn & Lange agency of Chicago, an important marine office.

Mr. Osborn, Jr., spent some time in London with the London Lloyds organization, then returned to this country where he became connected with the James S. Kemper organization, working in various departments. A few months ago he was transferred to the National Retailers Mutual Fire and has been preparing himself to take charge of the inland marine department.

#### Morgan Yacht Insured

The Navette, a 114-foot steam yacht, recently sold by J. P. Morgan to L. P. Falk, an investment banker, was insured for \$75,000. The craft cost more than \$200,000. It has a gross tonnage of 72 tons, two triple-expansion oil burning engines and makes a speed of about 17 miles an hour. It is believed that Diesel engines will replace the present ones, thus greatly increasing the value of the yacht.

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*Financial Statement, December 31, 1934*

## ASSETS

<b>Cash in Office and Banks</b> .....		<b>\$1,929,877.98</b>
<b>Bonds:</b>		
United States Government.....	\$ 602,563.21	
Municipal .....	708,865.60	
Railroad .....	177,325.17	
Public Utilities .....	196,031.03	
Miscellaneous .....	49,429.67	<b>1,734,214.68</b>
<b>Stocks:</b>		
Preferred .....	\$ 423,220.00	
Common .....	269,352.00	<b>692,572.00</b>
Premiums in Course of Collection (Not over 90 days) .....		<b>560,118.15</b>
Accrued Interest .....		<b>14,101.23</b>
Other Assets .....		<b>7,206.34</b>
<b>Total Admitted Assets</b> .....		<b>\$4,938,090.38</b>
(Bonds and Stocks valued on New York Insurance Department Basis).		

## LIABILITIES

<b>Reserves:</b>		
For Claims and Claim Expense.....	\$ 913,176.58	
For Unearned Premiums.....	1,133,493.98	
For Commissions .....	136,361.74	
For Other Liabilities.....	52,200.00	
Contingency Reserve to adjust Bonds and Stocks to actual market values .....	29,313.95	<b>\$2,264,546.25</b>
<b>Capital</b> .....	<b>\$1,500,000.00</b>	
<b>Surplus</b> .....	<b>1,173,544.13</b>	
<b>Surplus to Policyholders</b> .....		<b>2,673,544.13</b>
<b>Total</b> .....		<b>\$4,938,090.38</b>

Securities carried at \$345,129.28 in the above statement are deposited with various Insurance Departments, as required by law.

FRANK G. MORRIS, President  
Home Office: 80 John Street  
New York, N. Y.



# The National Underwriter

March 14, 1935

CASUALTY AND SURETY SECTION

Page Twenty-nine

## Better Showing for Compensation Line

Automobile Public Liability Shows Increased Loss Ratio in 1934

### PROFIT MADE IN SURETY

Analysis Is Made of Experience With Some of the Lines of Casualty Insurance

NEW YORK, March 13.—Casualty company executives are counting their returns for 1934 and have reached some very definite conclusions as to the results of the year. One of the most gratifying features of the operations in 1934 was the turn in the compensation insurance experience. Heretofore that department had been a regular nightmare. The companies had been running along losing from 10 to 15 percent on their compensation writings but this was cut down in 1934 to about 5 percent. The 1933 experience was especially disastrous, running up to 17 percent for some. However as executives study the figures they are convinced that the actual results of 1933 were not as disheartening as they seemed to be and the results of last year were not really as rosy as they seem.

#### Record of 1933

During 1933 there was an upturn in industry, more men were employed, premiums were higher, there was some increase in rates but the companies did not get the final figures until last year. Some of the 1934 more favorable experience should revert to 1933 which would cut down the heavy deficit and it would have increased the ratio for 1934. Taken altogether, however, the compensation experience for last year was much more gratifying than usual. It is thought that this year the actual returns will not show the same upturn as 1934 because there will not be much increase in premiums either direct or on payroll audits. The companies furthermore have been more careful in their underwriting and far more selective. The agents are better informed as to the kind of business desired. There has been less malingering and now all the increases in rates are having some effect.

#### Pressure on Companies

There is constant pressure on companies to pay more in benefits than they really should and naturally the effort to swing occupational diseases under the compensation act costs money. The tendency during legislative years is to swing the states into the compensation business either as a competitor of private companies or make it a state monopoly. New York has been a notable example this year of tremendous pressure to create a monopolistic fund. There are some companies that would not feel the effect if the states did take over this coverage. Others however

(CONTINUED ON PAGE 37)

## Local Clubs Are Boosting Accident and Health Week

### PITTSBURGH WINDOW DISPLAY

Elaborate Setup Arranged by Club There—"Pep" Meetings, Varied Publicity Plans to Be Used

Special campaigns to stimulate production of business in National Accident & Health Insurance Week, April 15-20, are being arranged in all of the cities in which organized accident and health clubs are in operation, it is shown by a survey conducted by "The Accident & Health Review," which has taken the initiative in sponsoring the observance of that week.

Practically all of the clubs are planning for one or more "pep" meetings for managers and personal producers and are publicizing the week's activities in various ways. The Detroit and Pittsburgh clubs plan to start off the week with rousing breakfast sessions Monday morning, while another breakfast session on Wednesday is planned in Pittsburgh. The San Francisco club expects to have a dinner meeting with several speakers, inviting producers and prospective agents. The Chicago club will hold noon rallies each day to which all those interested in accident and health insurance, including home office men, managers and producers, will be invited. Armand Sommer, Continental Casualty, president of the National Accident & Health Association, will speak the first day. It is hoped to secure George Manzelmann, North American Accident, president Health & Accident Underwriters Conference, and the presidents of three other Chicago companies for the other luncheon sessions.

#### Plan for Window Displays

The Pittsburgh club has worked out quite an elaborate plan for window displays and has secured the use of windows in a number of banks in the city. The background of the display in each case will be a statistical chart showing one year's accident record in the United States. This will be surrounded by four photographs, one of an automobile accident, one of an accident in the home, one of a recreational nature and one of an industrial nature. Under each of these pictures will be given statistical information relative to the number of people disabled and killed and the annual expense incurred as results of each class of accident. Then there will be a picture of a man in a wheel chair as a result of injury and under it figures showing the combined cost of accidents. With another picture of a sick room, stress will be placed on the annual cost of sickness in the United States. Below these two pictures fac similes of hospital, doctor and nurse bills will be presented, again showing the total cost of disability caused by accidents and sickness, which is estimated at close to \$4,250,000,000.

#### Publicize Accident Prevention

The Pittsburgh club is also planning through an indirect method of sales approach, working with the local traffic committee, safety council, etc., to give especial publicity in the local papers to the subject of accident prevention. While this would not pertain directly to

(CONTINUED ON PAGE 37)

## N. Y. Department Criticises Equity Rating Procedure

### CALLED PURELY COMPETITIVE

Reforms Are Urged in Report on National Bureau of Casualty & Surety Underwriters

The examination report of the National Bureau of Casualty & Surety Underwriters, just issued by the New York insurance department, recommends reforms in equity rating. Although the practice is not permitted in New York and the examiners discovered no evidence of its being applied in that state, yet the report criticises the system as it is used in states where equity rating is not prohibited.

The report alleges that equity rating is nothing more than a competitive weapon, despite the stated purpose to use these rates to "produce equitable rates [where] conditions affecting risk hazard are improperly measured by the normal rating procedure." The examiners say the system is used to enable bureau members to meet cut-rate and nonbureau competition without violating bureau rules.

Rate discounts commonly range from 20 to 40 percent and in burglary they frequently run from 50 to 60 percent and even higher.

Often the bureau authorizes rate cuts conditioned upon commission cuts, but the condition is not always exacted.

The examiners state that on interstate risks cuts are often made on locations in states where equity rating is not prohibited, thus nullifying the effect of the equity rating prohibition in such states as New York.

New York policyholders are affected, the examiners argue, if rate cutting is practiced so as to jeopardize the solvency of the companies. The recommendation is made that the bureau "develop uniform rules for equity rating to be applied to all lines which would prevent the establishment of arbitrary rates for competitive or any other reasons, and would produce sufficient premium for underwriting the risk."

The bureau is urged to police its members more effectively. The requirement that companies correct violation of rules is no deterrent nor is the requirement to cancel, since there is no prohibition against rewriting.

"While it apparently is considered inadvisable to impose penalties for violations disclosed by bureau examinations of company offices, it would seem that with respect to violations found on complaints or disclosed by reported loss of line the bureau's authority ought to be strengthened," the report says.

### Silicosis Judgment

ST. LOUIS, MO., March 13.—A judgment for \$10,000 has been awarded William Tomnitz of Pacific, Mo., against the Tavern Rock Sand Company for personal injuries based upon the contention that he contracted silicosis while employed by the company over an 18 months' period some 12 years ago. The Tavern company was charged with negligence in failing to provide proper protection to safeguard its employees from inhalation of silica dust.

## London Lloyds May Shun Cut Raters

Under New Relationship They Are Expected to Discriminate in Reinsuring

### SENATOR NEELY PRAISED

London Underwriters Are Believed to Have Seen the Handwriting on the Wall

PHILADELPHIA, March 13.—From comment of American company officials, it is gathered that London Lloyds is not expected to offer reinsurance facilities to cut-rate casualty companies on the grounds that to do so may seriously impair its new relationship with the American companies.

Here is the substance of the only comment which American company officials will make at this time:

That no agreement or deal was entered into between London Lloyds and American companies but merely a new relationship between Lloyds and the individual American companies.

#### Senator Neely Praised

That no praise can be too much for Senator Neely of West Virginia, whose legislative activities to drive London Lloyds out of the country made the London underwriters see the "handwriting on the wall" and conceive the new relationship of discontinuing the writing of bankers and brokers blanket bonds throughout the United States and offering, instead, its reinsurance facilities to the American companies.

These facilities are needed, especially in the writing of marine insurance.

In addition, London Lloyds sought to get away from a concentration of risks due to a harrowing loss experience as the result of large amounts it had at stake on individual risks. It seeks, instead, a cross-section of reinsurance with a diversification of risks and spread of hazards.

Therefore, it is reasonable to assume that London Lloyds will not want to continue the large exposure on single banks that they have had.

It is confidently believed that Lloyds would not do indirectly, by taking reinsurance from companies on a cut-rate basis, the kind of business that they have given evidence that they will not write directly.

Lloyds has given every indication that it is seeking the good-will of American companies. They have lived up to all of their promises.

The Illinois situation contains an involved angle. In Illinois Lloyds, divorced from London Lloyds but backed by the London money, is officially licensed, has its agents and is writing business. No one can expect Lloyds immediately to cease doing business in that state.

However, it is hoped that the Illinois Lloyds situation will be ironed out in a manner satisfactory to American agents and companies.

## New Medical Reimbursement Health Contract Is Issued

IS ONE OF FIRST IN FIELD

Continental Casualty Brings Out Policy with \$500 Limit for \$24, Men and \$30, Women

The Continental Casualty of Chicago this week announces to its field force introduction of a medical reimbursement health contract. This is one of the first important companies in the medical reimbursement field to apply the principle to health insurance.

The new contract, which sells at a flat rate of \$24 for men and \$30 for women, classes A to D inclusive, including unemployed persons, pays up to \$500 on the following allocated basis:

For hospital \$5 daily, nurse \$5 daily, \$5 to \$100 for operations according to the regular schedule in the policy, and \$3 per x-ray up to \$15.

### No Medical Examination

The contract is simple. No medical examination generally is required, although the company reserves the privilege to examine if this seems necessary.

The medical reimbursement health contract is essentially not an experiment with the Continental Casualty, for the company for many years has sold a larger proportion of health insurance than the average company. It is emphasized in the message to agents that success in underwriting this protection will depend very largely on selection by agents in the field. It is stated that this coverage opens an entirely new field for the agents and affords an excellent entrée for the placing of other insurance.

Among its advantages are that it makes available protection against the heavy expense of hospital, nurse's and other expenses arising from sickness for persons who never have been able to buy the regular health policy, such as housewives, unemployed women, etc.

### Has Many Advantages

The new coverage supplements the popular medical reimbursement accident policy which is sold now by many companies and makes it possible for an agent to protect people against medical expenses due to both accident and illness, whereas the latter hazard has not been thoroughly insured in the past.

While a proportion of medical expenses due to illness has been covered in the average health contract in the past for varying percentages of the weekly indemnity, this created the situation in which, to secure an adequate amount of medical expense protection the policyholder had to increase the amount of weekly indemnity accordingly. Frequently this made the total premium burdensome to policyholders. The new contract permits them to carry an adequate amount of medical expense insurance at moderate cost.

Also, there are many persons who are not eligible under the regular health contract for sufficient hospital indemnity to protect them fully, but who now can secure the amount of this protection that they need.

Medical reimbursement health coverage is one of the important topics to be considered at the New York City meeting of the Bureau of Personal Accident & Health Underwriters, March 14.

### New Orleans Promoters Sued

The bankrupt brokerage firm of Curtis & Sanger of Boston has filed an action at Shreveport, La. against 36 organizers of the defunct Insurance Securities Corporation of New Orleans. This was the holding company for the Union Indemnity, LaSalle Fire, Detroit Life and other institutions. Recovery is sought on the ground that there was a conspiracy to sell stock in the Insurance Securities Corporation by paying dividends that were not warranted by

## LEGISLATIVE DIGEST

### COMPENSATION

**New York**—Assembly committee reports on Canney bill amending compensation law to provide for guaranty fund to pay losses of delinquent insurers. \* \* \* A new bill provides for separate award to attorneys in case compensation claim is contested.

**North Carolina**—Senate committee reports favorably on house measure placing occupational diseases under the workmen's compensation act. \* \* \* Favorable report given on bill creating state emergency compensation fund in which employers could insure if company rates become too high.

**New Jersey**—Assembly defeats measure imposing double compensation award for employee injured for failure of employer to correct hazardous condition.

**Alabama**—Increases in compensation benefits sought by the Alabama Federation of Labor as follows: 1. Basis of compensation for injuries from 50 percent of average weekly earnings to 66 2/3 percent. 2. Maximum compensation from \$12 to \$20 a week plus \$2 instead of \$3 a week for each dependent. 3. Maximum allowed for medical and hospital expenses from \$100 to \$200. 4. Minimum compensation from \$5 a week to \$12.

### AUTOMOBILE

**Oklahoma**—L. C. Phillips, speaker of the house, introduces bill prohibiting automobile guest suits.

**Ohio**—Drivers' license bill, which passed senate and was defeated in house, revived in house. It may be worked into one of the motorists' financial responsibility bills.

**Alabama**—Favorable report given by the recess committee on judicial reform on bill relieving automobile drivers of liability to guest riders in case of accident, except in case of gross negligence.

**New Jersey**—Physician's lien measure passed by senate without any opposition. It authorizes doctors to file liens against judgment obtained by patients treated in automobile accidents.

### SURETY

**Missouri**—House committee reports favorably on bill requiring credit rating agencies to post \$50,000 surety bond.

**Texas**—Senate judiciary committee reports favorably on revision of lien law with respect to public works contractors. The bill makes the surety company a co-contractor and its liability almost limitless by covering practically every type of claim.

### GENERAL

**Kansas**—Bill requiring stock and mutual surety, fidelity and casualty companies to file classification of risks and rates killed in house.

**New York**—Bill filed removing three-year limit for filing of personal injury suits. \* \* \* Assembly bill prohibits procuring of claim releases until 10 days after injury.

**Maryland**—Senate passes bill prohibiting printing or broadcasting advertising of unlicensed companies. Certificate from insurance department would be required by publications and broadcasting stations before accepting advertising.

**Nebraska**—The last of the half dozen bills introduced requiring investment of stated percentages of reserves or of gross premiums collected in Nebraska

the results of the subsidiaries. Curtis & Sanger claim they were ruined by the collapse.

### Urges State Auto Fund

F. A. Goodwin, registrar of motor vehicles, made a strong appeal for passage of a state fund to handle automobile liability under the compulsory law at a hearing before the Massachusetts legislative committee on insurance.

## Royal-Eagle Congress in Chicago Attended by 250

HOME OFFICE MEN ATTEND

One-day Session Is Devoted to Discussion of Underwriting and Sales Slants

Nearly 250 agents and brokers registered for the one-day sales session held by the Royal Indemnity and Eagle Indemnity in Chicago last week. Burglary, robbery and theft insurance occupied the morning session and boiler and machinery insurance came up in the afternoon, with one talk on automobile liability. Thomas L. Bean, production manager Royal Indemnity, in addition gave a brief talk on selling. Many of those present were from northern Indiana and Illinois and southern Wisconsin, including Milwaukee. The afternoon session was adjourned early to enable them to get home. At the opening of the morning session a telegram was read from President F. J. O'Neill. A luncheon was served at noon.

This was the seventh sales meeting conducted by the two companies outside of New York. Vice-president Claude Trinder was present and spoke a few words, but he is not one of the regular troupe. The other cities outside of New York were Cleveland, Rochester, Boston, Garden City, Pittsburgh and Philadelphia.

All of the papers were brief and were designed to give a working knowledge of a particular subject. The first was by Phillip L. Miller, assistant production manager, who spoke on the residence burglary policy. The next was by George W. McCagg, production manager of the Eagle, on mercantile open stock. The third was by James McGovern, head of the burglary department, on internal and external and paymaster robbery.

In the afternoon W. H. Gallentine, general attorney, gave a talk on the financial and service standing of the Royal and the Eagle. George Babbitt, superintendent of the boiler and machinery department, spoke on the coverages of his department. T. Y. Beams, liability underwriter, closed the meeting with a talk on automobile.

After each underwriting talk there was a question period which seemed to arouse great interest, but the time devoted to questions had to be shortened in order to close at the promised time. There will probably be two more sales meetings on the same plan, one of them at Wilkes-Barre, Pa. The reason for emphasizing burglary and boiler lines is that these lines are profitable to the company, pay good commissions and offer a good field for creative work. Contrary to general belief, the boiler and machinery field is still large among the unsold customers. The burglary line, of course, offers an immense field that has hardly been worked.

in Nebraska securities has been killed by house committee. Recommend indefinite postponement of compulsory automobile liability insurance bill.

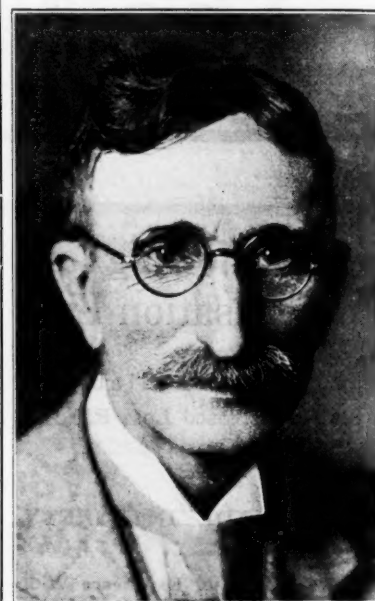
**Ohio**—Senate passes bill authorizing boards of education to pay for liability insurance on school buses. \* \* \* Senate committee recommends bill authorizing commissioners to insure county property. Also recommends bill requiring mutual protective and mutual benefit associations to obtain license before advertising or writing insurance.

**Oklahoma**—Senate advances to third reading bill providing for 10 percent penalty, plus reasonable attorney's fees, for "vexation and delay" in settlement of claims.

### ACCIDENT

**Nebraska**—The senate has passed one of its bills authorizing accident insurance companies to pay every four weeks any indemnity due, where application has been made therefor.

## Veteran Dead



A. J. ALWIN

Paul Clement, treasurer and general manager of the Minnesota Commercial Men's of Minneapolis, has been elected secretary to succeed the late A. J. Alwin, who died suddenly while leading a choir in a church meeting in his old home town of New Ulm, Minn. Mr. Alwin was 72 years of age and had served as secretary since the company was organized in 1905. He was one of the incorporators. He had served as president of the International Federation of Commercial Travelers Insurance Organizations and was also prominent in the Health & Accident Underwriters Conference. Mr. Clement has been connected with the Minnesota Commercial Men's since 1915.

## Aetna Casualty Managers Holding Chicago Conference

About 20 branch managers of the Aetna Casualty from the middle west, southwest and far west are in Chicago this week for the annual conference with home office executives. Recently a similar conference was held in Atlantic City for the eastern managers. The sessions started Tuesday and will continue through Thursday. The home office contingent consists of Vice-presidents C. B. Morcom and W. M. Smith, R. I. Catlin, assistant to the vice-president, and C. G. Hallowell, secretary.

The managers on hand include: Dallas, A. L. Penner; Denver, F. E. Breisch; Des Moines, K. G. Ellsworth; Indianapolis, R. C. Griswold; Kansas City, C. A. Bissett; Los Angeles, Leland Mann; Louisville, E. N. Taylor; New Orleans, R. B. Reese; St. Louis, Frank Mead; Minneapolis, C. McGee; San Francisco, C. A. Bonner; Detroit, J. F. Horton; Milwaukee, A. L. Wortmann, and Chicago, George Tramel.

### Propose Decker for President

The annual meeting of the Chicago Casualty Underwriters Association will be held March 20. The nominating committee has presented a slate: President, E. F. Decker, Youngberg-Carlson Company; vice-president, H. E. Berger, Continental Casualty; secretary, E. J. Reid, Standard Accident; treasurer, E. J. Halleman, Globe Indemnity; executive committee members, L. S. Jones, Ocean Accident, and M. J. Pierce, Standard Accident.

Harry Sellers, New Orleans adjuster, died suddenly of a heart attack in a Shreveport hotel. He had been a resident of New Orleans for 25 years.



## Recommended Model of Assigned Risk Plan Shown

DRAWN BY NATIONAL COUNCIL

Purpose Is to Bring About Uniformity in Method of Handling Rejected Compensation Risks

Considerable interest is being taken by the companies in the model plan for handling rejected compensation risks that has been drafted by the National Council on Compensation Insurance, with the idea that it be used in those states that desire to provide facilities for granting coverage to uninsured risks.

In several states plans are already in operation for handling this business. In other states, compensation rate increases have been granted on the condition that the companies provide insurance for all employers. In still other states, there is pending legislation that would require companies to insure all risks.

With the likelihood that sooner or later plans for handling rejected risks must be created in practically all of the states, the leaders in the business consider it desirable to have as much uniformity as possible. Accordingly, the National Council plan was drawn.

### Coal Mines Are Excepted

The National Council recommends that the plan shall apply only to risks, other than coal mines, that in good faith are entitled to insurance under the compensation law. The risks shall not be considered in good faith entitled to insurance until all obligations to pay compensation premiums, contracted during the previous 12 months, have been met.

An employer should not be considered as subject to the plan unless within 60 days from making application he has applied for compensation in writing, to at least four carriers, including the carrying company if the risk is insured at the time of making the application, and has been definitely refused coverage in writing on the letterhead of the carrier and signed by a full time salaried employee of the carrier.

The application must emanate directly from the employer and shall be filed on a prescribed form, accompanied by copies of the employer's letters soliciting coverage and the original letters refusing such coverage.

### Complete Information

The application shall require complete underwriting, financial and character information; a statement by the employer that he will maintain a complete record of his financial transactions in such form and manner as the carrying company may reasonably require and that the record will be available at all times to the carrier at a designated place; that the employer will agree to comply with all reasonable recommendations of the carrier, made with a view of reducing the hazard; that the employer agrees, upon being notified, promptly to remit to the designated carrier a certified check, money order or bank draft for the full estimated advance premium; certification of the application by an affidavit to be sworn to before a notary public.

The plan shall be administered by the general manager of the National Council. Upon receipt of an application properly completed, signed and attested, the general manager shall assign the risk to one of the subscribing carriers.

### Method of Distribution

The distribution is to be made as nearly proportionate as possible to the respective compensation premium writings of the carriers in the state. Regard shall be given to the servicing facilities of the designated carrier and to the exclusions under reinsurance agreement, as filed in writing with the manager.

The designated company shall have 15 days in which to investigate the risk and to determine the terms, conditions, rates and minimum premiums which it

(CONTINUED ON PAGE 35)

## Experience of Leaders Shown

Substantial increases in net premiums were shown by most of the leading companies operating in Michigan and New York in 1934. A two year comparison of net premiums and paid losses for the ten leaders in volume of net premiums in the two states in 1934 follows:

NEW YORK				
	1934		1933	
	Net Prem.	Pd. Losses	Net Prem.	Pd. Losses
Travelers	13,744,244	6,118,790	11,803,204	5,960,774
State Fund, N. Y.	10,312,321	6,084,471	7,011,453	5,256,998
Aetna Life	6,743,090	3,872,543	6,429,613	3,800,800
Hartford Accident	6,534,456	3,351,737	6,911,674	3,363,706
Globe Indemnity	5,723,326	2,766,973	5,801,417	2,676,312
Fidelity & Casualty	5,410,596	2,820,089	5,043,297	3,310,823
Liberty Mut., Mass.	5,327,096	1,970,766	3,816,053	1,676,558
General Accident	4,782,141	1,973,511	4,252,326	1,682,460
U. S. F. & G.	4,592,749	2,481,172	4,070,199	2,116,636
Royal Indemnity	4,323,787	2,186,516	4,286,354	2,252,231

MICHIGAN				
	1934		1933	
	Net Prem.	Pd. Losses	Net Prem.	Pd. Losses
Michigan Mut. Liab.	3,004,965	1,510,983	1,948,358	1,147,004
Aetna Life	1,278,458	797,312	979,623	606,739
Travelers	1,663,477	849,111	1,201,609	742,207
Detroit Auto In. Ins. Ex.	1,667,148	950,392	1,623,260	902,469
Standard Accident	877,971	563,326	726,477	372,760
General Accident	800,286	492,786	669,405	524,728
Hartford Accident	721,547	394,153	500,099	297,596
Employer's Liab.	680,502	349,634	575,451	296,801
Fidelity & Cas.	678,735	333,078	655,306	425,415
U. S. F. & G.	678,013	842,729	586,666	457,894

### Michigan 1934 Compensation Improves—Agents in Meeting

LANSING, MICH., March 13.—The establishment of a branch of the National Council on Compensation Insurance in Michigan has turned the loss ratio sharply downward with a prospect that stabilization of rates will soon bring losses down to the allowable 60 percent, according to Ralph M. Wade, second deputy insurance commissioner, who addressed a meeting of the Lansing Association of Insurance Agents. Mr. Wade presented figures showing that 47 of the 52 compensation carriers operating in the state had net premiums of \$5,418,645 in 1934, losses paid of \$3,610,000, and losses incurred of \$3,997,945. Thus the excess of losses paid over the allowable 60 percent was about \$360,000 and that of losses incurred about \$746,000. The carrier doing the largest Michigan business collected \$1,695,840 in net premiums, paid net losses of \$1,012,000, and had incurred losses of \$1,129,000.

This compares very favorably with a loss ratio on compensation of more than 90 percent in 1933 and in excess of 100 percent for several years prior to 1933.

### Reflects Stabilized Rates

The state accident fund, Mr. Wade said, has typically reflected the effect of stabilized rates, although turning it back to insurance department rather than administrative board supervision has undoubtedly been a leading factor in its improved situation. The fund was seriously impaired when turned back to the department but this deficit is being melted quite rapidly, a big reduction being effected in January alone, Mr. Wade said. He anticipates that the deficit will be entirely eliminated in a relatively short time.

L. T. Lofgren, Michigan manager Aetna Casualty's bond department told how to analyze a company statement. A discussion on the newly adopted comprehensive automobile policy and newly mandatory automobile fire and collision rates was led by Zelin C. Goodell and Miss Mina Karkau.

Robert M. Morse, head of the insurance department's licensing division, said about 75,000 licenses were issued to approximately 28,000 individual agents. This is an actual reduction from other recent years, as some 4,000 agents of farm mutuals were required to take out licenses for the first time.

Clyde B. Smith, Lansing Board

### West Coast Cut Rate Group Controls Much Business

SAN FRANCISCO, March 13.—The nonconference companies that recently effected a permanent organization, governing rates and rules, at a meeting in Santa Barbara, in 1933 wrote about \$4,350,000 automobile premiums in California. Thus a substantial volume of business will be stabilized, if the organization holds its members in line.

The members have agreed not to sell their insurance at a discount of more than 10 percent from manual rates for the conventional liability coverages. However, if any combination of exclusions is sold, a member may cut the rate an additional 20 percent from the nonconference scale. Such exclusions would include use of the named driver clause instead of the omnibus provision, elimination of guest liability and elimination of liability where the driver has been drinking and elimination of liability where the car is driven by anyone under 21.

### Restricted Form Experience

Some of the companies reported their experience with restricted forms. One company found that its losses under the named driver policy were 20 percent less than under policies which had the omnibus clause. Another company had been selling liability policies with limits of \$1,000 at 43 percent off manual.

The West Coast Automobile Insurance Conference has 23 member companies. The president is M. R. Johnson of the Pacific Indemnity. A. L. Johnston is the secretary and general manager.

Each company writing special restricted forms is to file such forms with the conference, a permanent committee on forms having been appointed. Local associations under jurisdiction of the conference are to be established in Los Angeles, San Francisco, Portland and Seattle.

National Bureau territories, with rules and interpretations, were adopted for rating purposes in California, Washington and Oregon.

The acute situation existing in Washington was discussed and a special committee composed of the General of Seattle, Northwest Casualty, United Pacific Casualty, Trinity Universal and Pacific Indemnity was appointed to give it further consideration.

president and former president National association, presided.

## Bill to Allow Mutuals in W. Va. to Write Surety Dies

PART OF THE RECODIFICATION

As Result of Controversy Proposed New Casualty Act for the State Fails

The regular session of the West Virginia legislature has now adjourned, without having passed the casualty acts which were part of the insurance recodification scheme in the state. Two phases of the recodification project were passed. There is now a new law governing farm mutual companies and a new accident and health law, under which the standard provisions are laid down.

However, a fight developed over the provisions of the proposed casualty bills. There was one bill for the stock companies and another for the mutuals. The mutuals made a determined fight to put across a provision which would permit them to write surety bonds. This was strenuously opposed by the stock people, but the measure passed in the senate. However, the bill died in the house in the last minute rush before adjournment.

A bill was passed and has been signed that extends the anti-discrimination law, which heretofore has been restricted to fire insurance, to casualty and surety. Another bill that would have extended rate control to automobile property damage and public liability passed the senate but died in the house. This measure was being strongly championed by the local agents.

## Another Plaintiff Loses Illinois Dram Shop Case

Another court decision providing that indisputable evidence of intoxication due to use of liquor supplied by the defendant is essential in securing a judgment against liquor sellers under the Illinois dram shop act, was rendered by a jury in the circuit court at Salem, Ill. Claim for \$20,000 damages due to death of Jake Onhiser of that town and injuries to C. A. Haney, July 28, 1934, due to shooting, was disallowed. C. H. G. Heinfeld, of Lord, Lloyd & Bissell, Chicago legal firm was defense counsel.

Norman Brimberry who did the shooting was sentenced to 25 years for the death of Herbert Keene and 35 years for Onhiser's death. The suit asked \$10,000 for Haney's injuries and \$10,000 in the name of Onhiser's children for loss of support, from Kenneth and Harry Gilmore who operate a sandwich shop in Salem. There was some evidence that there was an element of personal animosity and it was not clearly shown that Brimberry was intoxicated.

### Prepare for Drive

The Continental Casualty's Chicago branch is preparing for its annual new business drive in April and May.

## Average Auto Disability Period Thirteen Weeks

Indicating the extent of the increased severity of automobile accidents is the experience of one of the large casualty companies which, for many years, has been selling an automobile accident policy along with other insurance to members of automobile clubs. In 1926 the average automobile disability loss of this company under these policies was from six to seven weeks. Today, the average is 13 weeks, or just about double the experience nine years ago.

# Casualty Net Premiums and Paid Losses in 1934 in NEW YORK

	Total		Auto	Liab.	Other	Liab.	Work.	Comp.	Fidelity	Surety	Plate	Glass	Burglary	Theft	Prop. D. & Coll.
	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.
Aetna Cas. ....	3,339,869	1,303,900	555,512	320,863	13,963	3,664	5,078	850	1,158,534	400,160	162,466	52,072	387,664	146,938	741,167
Aetna Life .....	3,743,000	3,872,543	1,066,417	1,286,737	1,829,067	900,034	2,183,008	1,323,660	.....	.....	.....	.....	.....	.....	135,456
Amal. M. Auto. Cas. ....	356,663	131,751	356,663	131,751	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	48,014
Amer. Auto. Mo. ....	267,882	170,067	219,867	150,190	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	19,877
Amor. Bonding .....	117	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Amer. Employ. ....	591,733	263,725	210,904	101,515	83,781	67,161	101,416	47,805	93,787	16,428	11,798	3,245	12,768	4,054	68,508
Amer. Motorists .....	745,088	186,121	533,310	117,479	21,361	17,123	199	9,125	.....	.....	.....	.....	.....	.....	18,586
Amer. Mut. Liab. ....	2,599,422	1,121,148	621,141	171,465	169,465	49,245	1,616,796	847,003	8,229	7,821	1,313	463	604	700	30,398
Amer. Reins. ....	559,484	193,062	108,331	53,474	131,224	24,413	27,130	28,998	206,378	65,032	.....	.....	.....	.....	44,460
Amer. Surety .....	2,388,782	709,822	258,451	121,788	104,173	66,162	96,003	45,517	1,687,567	415,936	29,291	12,914	136,350	21,548	11,027
Auto Mut. Indem. ....	1,003,793	524,945	1,003,793	524,945	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	25,954
Bakers Mutual .....	306,300	113,397	.....	.....	59,445	17,574	246,864	95,822	.....	.....	.....	.....	.....	.....	75
Bankers Indem. ....	1,214,409	803,138	429,065	357,381	237,282	126,775	292,116	158,712	531	47,635	62,889	24,125	57,632	30,397	51,611
Bronx & Har. T. M. ....	106,406	21,277	.....	.....	106,406	21,277	.....	.....	.....	.....	.....	.....	.....	.....	.....
Butchers Mut. Cas. ....	330,172	165,156	.....	.....	10,140	5,145	307,640	155,892	.....	.....	.....	.....	.....	.....	.....
Car & General .....	289,208	167,712	118,821	86,339	38,509	19,942	78,511	41,738	.....	.....	.....	.....	.....	.....	.....
Century Indem. ....	1,342,214	663,984	403,790	253,097	265,940	94,184	325,488	194,605	127,331	39,319	43,404	21,883	43,088	18,472	37,420
Citizens Cas. ....	367,510	290,591	275,052	220,139	2,247	2,516	1,228	5,154	.....	.....	.....	.....	.....	.....	59,556
Coal Merch. Mutual .....	240,043	110,886	.....	.....	.....	.....	240,043	110,886	.....	.....	.....	.....	.....	.....	.....
Columbia Cas. ....	170,914	173,704	.....	.....	31,113	14,604	.....	.....	79,945	101,318	15,804	4,693	14,335	1,473	.....
Commercial Cas. ....	1,285,285	1,060,550	271,032	302,442	343,971	216,588	110,971	216,632	35,687	64,835	58,874	24,792	27,141	10,470	43,026
**Consolidat. Texp. M. ....	1,052,602	1,052,602	728,748	311,242	329,535	101,097	401,382	187,779	301,124	54,545	58,906	19,483	49,811	17,553	70,292
Continental Cas. ....	1,462,439	774,801	442,493	316,145	297,470	115,219	261,328	205,791	101,598	16,488	43,271	17,621	124,951	35,422	130,248
Eagle Indem. ....	1,033,863	2,122,825	933,530	516,662	1,038,730	494,201	1,312,801	905,617	185,161	56,641	80,013	21,807	85,292	19,413	285,463
Employers Reins. ....	4,244,863	243,355	859,477	193,018	20,379	.....	30,874	15,614	74,670	11,461	.....	.....	.....	.....	217,160
Europ. Genl. Reins. ....	1,763,626	584,394	437,970	94,634	378,247	36,383	4,458	2,879	289,713	85,068	.....	.....	405,681	143,299	8,554
Excess .....	604,745	296,932	306,705	88,915	106,343	24,258	84,007	20,467	56,151	152,740	.....	.....	15,214	2,965	34,524
Exch. Mut. Indem. ....	806,718	362,005	303,670	123,109	34,686	9,043	371,396	195,218	.....	.....	.....	.....	.....	.....	96,965
Factory Mut. Liab. ....	564,546	134,974	430,848	99,257	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	34,633
Fidelity & Cas. ....	5,410,596	2,820,089	1,313,336	744,515	794,818	336,357	1,348,634	950,529	960,729	261,417	133,228	39,841	240,411	142,015	421,018
Fidelity & Deposit .....	2,039,885	969,260	.....	.....	.....	.....	.....	.....	1,648,301	781,746	46,581	28,027	345,001	158,061	129,489
Fireman's Fund Ind. ....	1,323,288	367,924	408,941	116,389	244,751	50,145	341,050	126,157	98,222	13,844	32,703	10,607	48,319	13,777	134,431
First Reins. ....	49,289	40,040	43,863	11,552	21,413	.....	.....	.....	.....	.....	.....	.....	.....	.....	447
General Accl. ....	4,782,141	1,973,511	2,865,006	1,305,885	496,802	135,243	492,978	239,965	.....	.....	.....	.....	29,825	10,882	721,390
General Reins. ....	795,955	638,270	193,886	320,991	98,846	22,632	37,166	37,723	150,682	92,211	850	.....	106,341	20,185	13,827
Glens Falls Indem. ....	2,014,578	949,380	732,242	418,229	328,935	155,256	363,300	237,380	188,236	6,278	63,132	23,334	61,681	15,710	229,380
Globe Indem. ....	2,766,973	1,579,365	1,579,365	784,003	1,332,411	506,992	1,476,863	954,385	458,314	168,983	123,580	40,780	286,482	105,889	444,490
Great Amer. Indem. ....	2,243,332	862,306	614,822	259,326	522,665	174,550	507,450	288,052	219,913	31,415	78,735	28,235	60,332	15,413	180,762
Greater N. Y. Texp. ....	1,846,015	610,445	.....	.....	1,846,015	610,445	.....	.....	.....	.....	.....	.....	.....	.....	56,864
Guar. of No. Amer. ....	43,178	6,186	.....	.....	.....	.....	.....	.....	43,178	6,186	.....	.....	.....	.....	.....
Hdw. Mut. Cas. Wis. ....	669,057	163,746	347,294	69,917	29,220	10,447	169,681	52,860	.....	.....	.....	.....	15,197	4,679	105,705
Hartford Accl. ....	6,534,456	3,351,737	1,785,292	1,139,156	1,025,197	438,552	1,309,207	936,381	1,207,178	417,459	125,793	47,146	394,957	143,943	548,835
Home Indem. ....	268,046	342,902	96,703	146,222	51,163	46,354	.....	.....	29,081	36,303	12,227	4,586	65,198	21,761	25,415
Hudson Mohawk M. ....	140,178	85,708	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10,672
Indem. of No. Amer. ....	2,703,330	1,458,898	643,704	568,108	389,562	172,536	337,208	274,498	726,808	267,614	51,381	25,286	252,066	38,190	199,793
Interboro Mut. ....	1,142,135	402,771	459,284	142,689	99,442	37,025	444,600	191,366	.....	.....	.....	.....	.....	.....	31,690
International Fidel. ....	877	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Jamestown Mut. ....	773,756	231,180	257,406	67,075	9,822	630	415,662	140,150	.....	.....	.....	.....	.....	.....	90,854
Keystone Aut. Cl. Cas. ....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Liberty Mut. Mass. ....	5,327,096	1,970,766	1,437,809	410,140	562,985	167,284	2,824,433	1,268,834	70,086	14,864	4,396	1,516	42,893	9,595	383,760
London & Lanc. ....	927,408	542,830	375,446	259,411	185,709	105,800	117,782	99,856	35,219	5,355	36,588	14,802	39,100	11,280	114,147
London Guar. ....	1,536,453	1,135,086	399,764	367,695	186,496	230,017	472,107	419,829	589	30,692	32,814	13,977	57,088	27,207	47,824
Lumb. Mut. Cas. Ill. ....	3,356,756	1,176,598	1,952,124	646,739	188,339	63,059	507,057	298,014	.....	.....	.....	.....	12,145	6,626	588,623
Lumb. Mut. N. Y. ....	600,567	359,751	75,606	68,568	38,122	13,857	442,289	259,849	.....	.....	.....	.....	.....	.....	159,370
Manhat. Mu. A. N. Y. ....	593,962	111,836	593,962	111,836	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	367
Mfrs. Cas. ....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Maryland Cas. ....	2,815,594	1,882,799	837,159	520,037	353,937	191,164	624,110	650,970	419,297	276,388	58,204	25,337	99,218	49,745	257,163
Mass. Bonding .....	3,230,519	1,436,614	729,287	317,273	705,179	267,432	801,571	387,192	440,010	258,402	97,240	41,899	95,340	39,631	218,373
Medical Protect. ....	24,344	11,731	.....	.....	24,344	11,731	.....	.....	.....	.....	.....	.....	.....	.....	.....
Merchants Indem. ....	125,680	56,183	84,979	36,446	11,267	9,092	.....	.....	.....	.....	.....	.....	23,939	6,154	236
Merchants Mut. Cas. ....	1,458,162	695,418	968,784	494,569	19,586	6,548	129,045	75,764	.....	.....	.....	.....	6,040	2,309	300,390
Metropolitan Cas. ....	1,189,230	919,263	387,288	295,340	182,701	139,863	75,422	220,222	118,734	54,529	110,748	41,267	35,082	16,311	49,061
Met. Mut. Aut. Cas. ....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Mutual Cas. ....	74,805	34,117	30,285	8,085	1,243	25	59,017	30,124	.....	.....	.....	.....	.....	.....	3,559
National Cas. ....	333,569	133,662	58,591	19,713	19,656	6,762	26,879	14,417	2,287	.....	4,739	1,621	3,774	1,373	17,486
Natl. Grange Mut. ....	327,860	52,860	293,240	41,534	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	11,325
National Surety .....	2,236,057	784,375	.....	.....	.....	.....	.....	.....	1,687,786	589,368	11,828	.....	506,360	182,050	61,065
New Amsterdam .....	3,886,796	2,619,288	1,120,614	1,043,687	677,056	444,799	909,577	667,380	475,303	171,697	140,713	55,056	141,886	48,977	300,363
New York Cas. ....	602,592	446,279	163,090	182,697	82,375	96,028	42,118	40,717	146,676	60,670	29,171	10,566	.....	.....	25,929
N. Y. Printers & B. ....	182,407	104,447	.....	.....	.....	.....	182,407	104,447	.....	.....	.....	.....	.....	.....	.....
Norwich Union Indem. ....	1,393,204	829,377	472,619	327,205	327,162	155,013	295,190	223,680	.....	.....	.....	.....	66,315	23,740	36,472
Ocean Accl. ....	2,115,259	899,894	622,732	268,459	312,324	75,846	530,522	250,278	62,511	111,957	43,819	11,817	189,218	73,475	188,393
Phoenix Indem. ....	730,906	517,530	190,546	241,472	217,067	112,811	149,								



## (CONT'D FROM PRECEDING PAGE)

	Premiums	Losses
United Cas. ....	51,332	17,163
U. S. Casualty .....	68,692	49,505
U. S. F. & G. ....	138,790	77,073
U. S. Guar. ....	1,063	.....
Zurich .....	2,906	256
Total 1934 .....	\$12,854,090	\$7,082,753
Total 1933 .....	11,277,841	6,195,341

## STEAM BOILER

	Premiums	Losses
Aetna Cas. ....	1,834	.....
Amer. Employ. ....	4,622	\$696
Amer. Reins. ....	2,306	141
Columbia Cas. ....	7,535	258
Continental Cas. ....	2,905	.....
Eagle Indem. ....	23,431	3,589
Employ. Liab. ....	76,825	11,757
Europ. Gen. Reins. ....	1,122	222
Excess .....	1,922	.....
Fidelity & Cas. ....	51,704	7,439
General Acci. ....	1,638	.....
General Reins. ....	264	.....
Globe Indem. ....	37,675	4,561
Hartford S. B. ....	567,418	84,091
London Guar. ....	380	3,000
Lumberman's Mut. Cas. ....	5,423	.....
Maryland Cas. ....	45,533	22,990
Mutual Boiler ....	17,946	268
Ocean Acci. ....	43,151	3,597
Phoenix Indemnity ....	5,157	.....
Royal Indem. ....	78,400	11,703
Security Mutual ....	2,203	.....
Travelers Indem. ....	215,276	24,480
Total 1934 .....	\$1,191,960	\$173,792
Total 1933 .....	879,326	99,417

## ENGINE &amp; MACHINERY

	Premiums	Losses
Aetna Cas. ....	\$31,016	\$412
Amer. Employ. ....	27	.....
Amer. Reins. ....	2,919	7,353
Columbia Cas. ....	11,038	971
Continental Cas. ....	80	.....
Eagle Indem. ....	18,408	1,241
Employers Liab. ....	10,798	88
Europ. Gen. Reins. ....	2,258	7,352
Fidelity & Cas. ....	4,321	100
General Reins. ....	361	.....
Globe Indem. ....	8,895	946
Hartford S. B. ....	180,631	26,651
London Guar. ....	13,107	15
Maryland Cas. ....	8,408	298
Mut. Boiler ....	5,612	.....
Ocean Acci. ....	19,972	4,455
Phoenix Indem. ....	560	.....
Royal Indem. ....	32,416	6,319
Security Mutual ....	2,355	.....
Travelers Indem. ....	31,249	380
Total 1934 .....	\$353,791	\$41,877
Total 1933 .....	150,010	31,070

## SPRINKLER LEAKAGE

	Premiums	Losses
Aetna Cas. ....	\$280,210	\$104,923
Maryland Cas. ....	11,601	9,090
U. S. F. & G. ("Water Damage") .....	2,608	460
Total 1934 .....	\$294,419	\$114,473
Total 1933 .....	285,451	72,943

## CREDIT

	Premiums	Losses
Amer. Credit Indem. ....	102,103	\$21,052
Employ. Reins. ....	21,579	—66
European General Reins. ....	31,268	.....
London Guar. & Acci. ....	265,846	17,447
National Surety ....	36,976	7,326
Ocean Acci. ....	.....	22,128
Total 1934 .....	\$456,872	\$—11,263
Total 1933 .....	482,309	209,648

## LIVE STOCK

	Premiums	Losses
Car. & General. ....	5,159	\$1,015
Hartford Acci. ....	497	.....
Hartford L. S. ....	40,805	17,665
Indem. of N. Amer. ....	23,082	2,260
Total 1934 .....	\$69,543	\$20,940
Total 1933 .....	26,108	6,904

## WATER DAMAGE

	Premiums	Losses
Metropolitan Cas. ....	1,808	\$864
Indem. of N. America. ....	9,182	4,607
Total 1934 .....	\$10,990	\$5,471

## PERSONALS

L. B. Fowler, field supervisor of the Aetna Casualty, is spending a month visiting branch offices and agencies in the middle west. He attended the annual meeting of the Surety Underwriters Association in Detroit and then went to Chicago. He will visit Minneapolis, St. Paul, Des Moines and Kansas City among other places.

James Arnott, manager casualty division of the Travelers in Buffalo, has just returned from a vacation trip to Miami.

E. B. Brink, Michigan manager for the Mutual Benefit Heath & Accident, and two of his leading salesmen, A. H. Creutz and M. G. Sleight, left Detroit Saturday, driving through to Del Monte, Cal., where a regional convention is being held March 20-22.

They will visit the Grand Canyon,

Petrified Forest and other points of interest in Arizona, also Yosemite National Park in California, returning by way of Oregon, Washington and Yellowstone Park, stopping at the home office in Omaha and returning to Detroit April 1.

G. T. Smothers, secretary of the Central Surety has been elected president of the Kansas City Optimist Club.

Frank O. Harrison, secretary Trinity University of Dallas, who has been visiting California, returned to the home office Sunday night. R. H. Jenkins of Los Angeles, general agent for Cali-

fornia, accompanied him to the meeting at Santa Barbara of the West Coast Automobile Conference.

Kenneth L. McKinley, 35, secretary-treasurer of the Travelers Mutual Casualty, Des Moines, died at his home there after a brief illness.

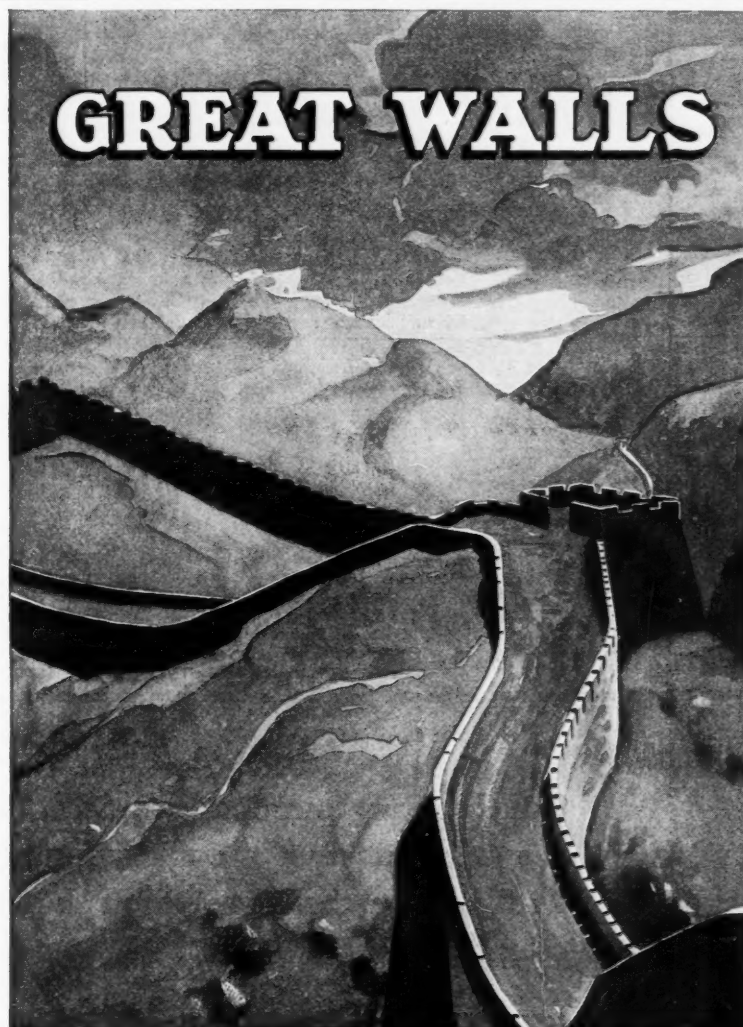
E. A. Johnson, one of the old-timers in the accident and health field in the central west, who now has charge of the monthly premium business of the Commercial Casualty in northern Illinois and southern Wisconsin, with headquarters in the branch office at A-1545 Insurance Exchange, Chicago, is now back

on the job after being out for some time because of a serious operation, and expects to be able to get out in the field again very shortly.

## Hold Roundtable on Forms

The Burglary Underwriters Club of Chicago will hold its regular meeting March 14 at the Great Northern Hotel. There will be a general roundtable discussion of various burglary forms including the much debated \$19.80 form.

W. L. Payne and J. H. Wetmore have been added to the board of the Beacon Mutual Indemnity, Columbus, O.



**G**REAT walls of protection against a dangerous enemy . . . monuments to the fear of an ancient people. The dangers of today's life may be different, but it is just as necessary to guard against them. The Maryland, with a field force of 10,000 agents, provides a modern wall of protection—against

accident, burglary, liability, financial loss in varied business operations that can be covered by surety or fidelity bonds and against many other contingencies. More than \$285,000,000 paid in claims on behalf of its policyholders measures the Maryland Casualty Company's service of protection.

**MARYLAND  
CASUALTY  
COMPANY**  
*Baltimore*

SILLIMAN EVANS, President • F. HIGHLANDS BURNS, Chairman of the Board

## CHANGES IN CASUALTY FIELD

### Lorenz Goes to Head Office

**Accident & Health Man in St. Louis Branch of Maryland Casualty Is Advanced**

ST. LOUIS, March 13.—A. W. Lorenz, head of the accident and health department in the St. Louis branch of the Maryland Casualty, is being transferred to the head office of the company as assistant accident and health manager. A farewell party was given for him here Saturday night.

Earl J. Miller, who has been Illinois special agent traveling out of St. Louis, has been appointed to succeed Mr. Lorenz as accident and health manager in the St. Louis branch. Stuart Smith, who has been a payroll auditor, succeeds Mr. Miller in the field.

### Get Standard Accident in Columbus

The R. W. Clark Agency, Columbus, O., has been appointed general agent of the Standard Accident.

### New England Base Is Shifted

**Continental Casualty to Handle Business from New York — Manager F. D. Mahoney Is Transferred**

The New England territory of the Continental Casualty is hereafter to be handled through its eastern departmental headquarters in New York, of which Floyd N. Dull is vice-president and Harlow Brown, resident vice-president.

### Dinner Given for Mahoney

Frank D. Mahoney, who had been manager of the New England department for a number of years and who will now be attached to the New York headquarters, was honor guest at a dinner in Hartford given by the insurance men of that city Monday night.

Ned Cowles, Hartford general agent, was toastmaster at the banquet for Mr. Mahoney and he was assisted by Jerry Cornell, claim manager of the Conti-

mental Casualty in New England and Joe Maurice, deputy superintendent.

### Century Indemnity Makes Several Shifts in the Field

Several field changes are announced by the Century Indemnity of the Aetna Fire group. R. E. West, heretofore assistant manager of the Philadelphia branch, is transferred to assistant manager of the Chicago office. Ernest Killer, Connecticut special agent, goes to the Cleveland office as field manager for Ohio and eastern Michigan, and J. J. Shea, also previously in Connecticut as a special agent, to Syracuse as assistant to Field Manager E. C. Booth.

### Careers Are Reviewed

Mr. West has been with the Century since 1927, when he became its field manager at Newark, after serving the Travelers in the same territory. Mr. Killer has been in the casualty field for 16 years, joining the staff of the Century in 1926 and serving in its Philadelphia and Chicago branches before going into the field in Connecticut. Mr. Shea was superintendent of the accident and health department in the Brooklyn

agency of the Aetna Life, which post he resigned to enter the employ of the Century in 1927.

### Reese With Seeley & Co.

Mark A. Reese, for many years a partner of the agency of Duryee & Reese, Seattle, has been appointed manager of the casualty and surety department of Seeley & Co., general agents, Seattle. He succeeds R. G. Clarke, who becomes special agent for Washington, Oregon and Idaho at Seattle. He is one of the best known surety men in the Pacific Northwest and is a past president of the Seattle Surety Association.

## Fidelity-Surety Activities

### Important Reduction Made in Fidelity Schedule Rates

NEW YORK, March 13.—The Towner Rating Bureau has announced an important reduction in fidelity schedule rates on all business interests not included in the classified list and rated there as to individual or schedule bonds. The old rate of 33 cents a thousand applied from \$100,000 up to but not including \$500,000. This is now changed to read 33 cents from \$100,000 to but not including \$250,000. From \$250,000 to, but not including \$500,000, the new rate is 30 cents.

While all schedules of \$1,000,000 or over were previously entitled to special rating, the requirement is now lessened so that schedules of \$500,000 or more may now have special rating. As before, the rate for the primary schedule is based solely on the total suretyship of the same character, i. e., primary or concurrent carried by the insured, exclusive of any excess coverage that the insured may carry.

This is the second important rate reduction authorized by the Towner bureau since the beginning of the year, the other having been a change in rates for bankers bonds, eliminating the charge previously made on inactive accounts.

### Eliminate Bond Requirement

Governor McNutt of Indiana has signed the bill eliminating the filing of a "blue sky surety bond" by security dealers. Although this will mean a loss of surety business, the companies have had an aversion to these bonds because of the possibility of dissatisfaction of customers resulting in multiple recoveries far in excess of the \$5,000 bond limit. Many Indiana dealers have not been able to get bonds.

### School Superintendents' Bonds

The Towner Rating Bureau has issued the rates for bonds of county superintendents of schools in Illinois. Bonds of not less than \$12,000 are required for these officials, who receive tax funds and then apportion them among the various townships. The rate for such bonds is the same as the "all treasurers" rate. Up to \$25,000 the rate is \$10 per \$1,000. There is a graduated scale for bonds of greater penalty.

### Oppose California Rate Bills

LOS ANGELES, March 13.—The Surety Underwriters Association of Southern California at a meeting here registered vigorous opposition to the proposed state rate supervisory measure before the California legislature. A resolution was adopted expressing the belief that the passage of such legislation would be inimical to the best interests of the stock insurance and surety companies which are members of the organization, and also to agents. Members were urged to do all in their power to defeat these measures.

# Stable



Continental, founded in 1897, has stood impregnable against the many financial and economic disturbances which have swept the country.

It has grown steadily, becoming one of the foremost multiple line insurance organizations now operating. It is stable, firmly rooted, and its DURABILITY is unquestioned.

In view of past and present business conditions, the value of a Continental connection is obvious.

**CONTINENTAL**  
**CASUALTY COMPANY**  
CHICAGO

Insurance and Surety Bonds for Practically Every Purpose



## ACCIDENT AND HEALTH FIELD

### San Francisco Club Will Join Better Business Bureau

The Accident & Health Managers Club of San Francisco has decided to apply for membership in the Better Business Bureau, inasmuch as it is the club's desire to curb the activities of unauthorized companies in the field and companies whose practices and ethics are not for the betterment of the business generally.

The club plans to participate actively in National Accident & Health Insurance Week, April 15-20, which was proclaimed in California by Governor Rolph in 1932 and has since been adopted as a national program. Especial attention was given to the acquainting of the public with the necessity for adequate accident and health insurance.

### Rejoins Mutual Benefit

William Hogarth, until recently in the claim department of the Continental Casualty and prior to that with the Mutual Benefit Health & Accident of Omaha, has rejoined the latter company as assistant to E. F. Flaska, general agent in Toronto. The Mutual Benefit was licensed about three months ago in Canada.

### Boosts Group Hospitalization

A prediction that group hospitalization would sweep the nation within a few years was made by Dr. B. C. MacLean of New Orleans, speaking at the regional convention of the American College of Surgeons at Birmingham, Ala. Calling the plan "depression's child," he said it had brought compe-

tent hospitalization to a family of four at a cost of as low as \$9 yearly in his home city where the plan has been in operation a year.

### Settle Oklahoma Tax Suit

The Benefit Association of Railway Employees, Chicago, made a compromise payment of \$1,036 to the state of Oklahoma for back taxes and fees. This suit by the state was one of 52 filed against fraternal and mutual associations. John Wheeler and Creekmore Wallace, attorneys for the state, tendered the money to Commissioner Jess G. Read who referred the matter to the attorney-general to determine whether the commissioner should receive the money or it should revert to the state treasurer's office.

### Report Michigan Status

LANSING, MICH., March 13.—Due to the fact that the Illinois Bankers Life, reinsurer of the Abraham Lincoln Life, holds only a restricted license in Michigan, it will be necessary either to carry the Abraham Lincoln business in the state to expiration or to sell it to a fully authorized carrier. The agency plant cannot be used under the existing situation.

### Offers Limited Accident Policy

The Detroit Automobile Inter-Insurance Exchange is offering free to every member an accident contract under a master policy with the Great Northern Life which provides from \$1,000 to \$10,000 for loss of life in travel accidents or others for which double indemnity is usually provided and for non-fatal accidents by which a leg, arm, foot or eye is lost.

### Recommended Model for Assigned Risk Plan Shown

(CONTINUED FROM PAGE 31)

considers reasonable. Within 15 days after assignment the designated carrier shall notify the manager that it will issue coverage in accordance with specified terms, or that, for reasons stated, it does not consider the risk in good faith entitled to insurance. The policy shall be issued for a period terminating Dec. 31 next, except as otherwise authorized by the manager. If the employer disagrees with the action of the designated carrier, the manager shall review the case. In the event the manager and the carrier cannot agree, the matter shall be referred to the regional committee. The employer shall pay the full advance premium before the coverage is granted. When the policy has been issued, the carrier shall notify the manager and file with him complete information.

#### Provision for Cancellation

If, after the issuance of a policy, the designated carrier shall be convinced that the employer is not in good faith entitled to insurance, or the employer has failed to comply with reasonable safety requirements or has violated any of the terms and conditions upon the basis of which the insurance was issued or that unusual or unexpected circumstances have developed, the carrier shall have the right to cancel the insurance but the reason supporting the action must be filed with the manager prior to the effective date of cancellation.

If, for any reason the policy is canceled, the risk shall not be eligible for further consideration until the manager is fully satisfied that the employer is, in good faith, entitled to insurance.

Any assigned risk which is dissatisfied with the designated carrier may request reassignment upon expiration.

Every carrier shall notify at least 30 days prior to expiration when it is unwilling to renew the risk as direct busi-

ness for its own account. Any carrier may request discontinuance of an assignment on any risk by giving the manager notice at least 30 days prior to expiration, together with the reason.

If any carrier, other than the one designated, wishes to carry the risk voluntarily, it may take over the coverage at expiration; or under the same conditions, may take over the coverage at any time, subject to agreement by the designated carrier.

In case of a risk applying for coverage which presents such occupational disease hazards as may from time to time be specified by the regional committee, the risk shall not be considered to be in good faith entitled to insurance unless the employer has caused physical examination of all employees, subject to the specified occupational disease hazards, to be made by competent medical authorities and shall furnish the designated carrier with copies of the report of the examination. The designated carrier shall use such reports in determining the insurability of the risk and the appropriate rate.

#### Expect 85 Percent Approval

Signatures to the proposed plan are coming in steadily, and the expectation is that soon endorsements will be in hand from companies writing 85 percent of the premiums. In such event the plan will be formally launched. The arrangement provides for the assignment of risks each to a definite company, which would retain 30 percent of the premium for servicing, the remaining 70 percent being turned over to the pool from which all claims would be paid.

The states now having assignment of risk regulations are Connecticut, Illinois, Indiana, Kansas, Minnesota, Missouri, North Carolina, Vermont, Virginia and Wisconsin; Indiana and Missouri being recent accessions.

In states having funds of their own the stock company pool will not operate, risks of the generally undesirable class getting their indemnity through such agencies.

1890  1935

## FIDELITY AND DEPOSIT COMPANY OF MARYLAND BALTIMORE

### Points to Remember about the F&D

\* \* \*

Recognized as the country's leading  
bonding company

\* \* \*

Financial strength and leadership that  
command complete confidence

\* \* \*

Country-wide prestige built up over a  
period of 45 years

\* \* \*

Unchallenged reputation for prompt  
and equitable claim settlements

\* \* \*

Personal attention and authoritative  
counsel promptly available to all repre-  
sentatives through a nation-wide system  
of underwriting offices

*Exclusively*

## FIDELITY AND SURETY BONDS BURGLARY, FORGERY AND PLATE GLASS INSURANCE

## Light Office Space

... At Very Low Rentals

In the center of

**THE INSURANCE DISTRICT**

**UNDERWRITERS BUILDING**

123 William Street  
New York City

We Invite Your Early Inspection

RENTING OFFICE  
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## Your Problem—

To attract new business to your agency and hold your renewals.

## Your Solution—

An Agency contract with "Utilities" enabling you to sell unusually broad coverage insurance at independent rates and convenient terms.

## UTILITIES INSURANCE COMPANY

A STOCK HOME OFFICE COMPANY  
BROADWAY AND LOCUST ST. ST. LOUIS, MO.

Direct contracts available for conservative and successful agents in Illinois, Indiana, Iowa, Missouri, Nebraska, Oklahoma, South Carolina, Tennessee and Texas.

## Casualty Company Activities

### General Reinsurance and North Star Gains Shown

The General Reinsurance of New York, the well known casualty reinsurance company, reports an underwriting profit for 1934 of \$56,088, compared with a deficit of \$275,523 for 1933. Investment income was \$293,692 as compared with \$365,848 for 1933. The drop in investment income was due to a switching of a portion of the portfolio to higher quality but lower yield investments. Surplus to policyholders increased by \$412,437.

The North Star, the fire reinsurance company, which like the General Reinsurance is controlled by the General Alliance Corporation, had an underwriting profit in 1934 of \$123,005 against \$178,409 for 1933. Investment income was \$136,757 compared with \$128,754. Surplus to policyholders increased by \$378,523.

Earnings of the North Star and General Reinsurance amounted to \$1.51 per share on the 381,328 shares of General Alliance Corporation.

### North American Accident Report

The North American Accident of Chicago, which writes only accident and health insurance and which has operated under the same management since its organization, in its annual statement shows assets \$2,335,964, of which \$137,976 is cash, \$1,066,264 government and municipal bonds, \$827,690 mortgages, \$338,757 claim reserve, \$971,851 premium reserve, \$100,000 contingency reserve, capital \$400,000, net surplus \$360,258. The North American Accident was established 49 years ago and its head office has always been located in the Rookery building in Chicago.

### Promoting New York Company

Steps have been taken to form the Pioneer Automobile Casualty, a mutual organization, in New York City. Notice of intention to form such a corporation has been filed. The signers are E. M. Stephens, Harry Gehn, Daniel Levine, Max Solar, Harry Baumann, W. L. Bowner, Salvatore Forte, George Friedlander, Saul Rosenthal, Frank Norris, Dr. L. H. Maibach, Wilbur Baker, Jack Levine, Abe Wohl, Louis Wilk, B. I. Schlessel, Jacob Schott, Harry Deutsch, Meyer Glickman, Joseph Friedman, J. H. Citron, Joseph Monsky, William Citron, Rhea Schlessel and Edgar Lee.

### Take Dividend Action

Authorization to increase the quarterly dividend of the Aetna Life from 10 cents to 15 cents a share was given by the directors and the regular quarterly dividends of 15 cents a share for the Aetna Casualty and 25 cents for the Automobile were voted. All the dividends are payable April 1 to stockholders of record March 9.

### Illinois Casualty Increase

The Illinois Casualty of Springfield, Ill., reports a 15 percent increase in premiums for the first two months of this year over the same period in 1934.

### Opens Branch in Atlanta

A southern branch office in Atlanta is being opened by the Central Mutual of Chicago. R. H. Zachary is the manager and W. R. Tommons is in charge of underwriting. The company specializes in truck and bus insurance.

### Lewis Now Secretary-Manager

G. R. Lewis, sales manager Beacon Mutual Indemnity, Columbus, O., now is secretary-manager of the mutual, which writes automobile insurance.

## Copies of Code Eagerly Studied

(CONTINUED FROM PAGE 1)

business in this state may be relicensed to engage primarily in making insurances covering unusual, extraordinary and special hazards including excess or reinsurance risks not readily obtainable from other companies authorized to transact fire or casualty.

Reciprocals also seem to have come out very well. Even the proprietary "reciprocals" that write business on a nonparticipating plan get by, provided their surplus is equal to 50 percent of their annual premiums. The mystery of how a reciprocal can have a surplus is not made clear in the code, especially in view of the requirement for separate accounting with each policyholder, which is a new and to many reciprocals an undesirable feature of the new code.

### Hits Travelers and Aetna

The advertising section, which made it dangerous for an eastern company, for example, to advertise in the "Saturday Evening Post" unless the company was licensed in Illinois, was stricken out entirely. The old section 90, on the contents of advertisements, was stricken out, but a general requirement that liabilities be shown as well as assets was inserted.

The only interests apparently that got no consideration were the two life companies writing compensation and automobile liability, the Travelers and the Aetna. The provision requiring them to give up their casualty lines is retained in the revised measure. At the code hearings Director of Insurance Ernest Palmer said this was a department measure. He said there had been no request for it and took the ground that it was not open to discussion.

The language of the code has been vastly improved in the rewriting. Ambiguities have been clarified and in some cases the rearrangement is more logical. The classification of kinds of insurance in section 7 has been simplified, omissions supplied and the descriptions generally improved. On the other hand, in some cases language criticised at the code hearings for obscurity or vagueness has been left unchanged.

### Brokers and Agents Regulated

Several sections on the licensing of agents have been entirely recast but the changes do not appear to depart from the intent of the first draft. Examination of new applicants for license is made compulsory instead of optional, except on renewals. In the case of an agency all of the officers or representatives designated to act for it must submit to the examination. A temporary license may be issued for not exceeding 90 days. The original provision forbidding companies to pay the license fee for brokers is omitted in the revised bill.

A new class of licensed agent is a "company service representative." The fee is \$2 for a resident and \$10 for a nonresident. License is issued only upon requisition by the employer, who must certify that the representative is competent and fully qualified and a bona fide full time employee. No such representative can be authorized to countersign policies of insurance in Illinois, although a service representative may also be licensed as an agent.

Net premiums are to be held in a fiduciary capacity and are not to be misappropriated or converted or illegally withheld by the agent, broker or solicitor, or special company representative.

Licenses cannot be renewed unless the agent has placed during the year more premiums for others than he has for himself and his employer together.

In section 337 of the code, under regulations applicable to all casualty insurance, the judgment claimant under an automobile public liability or property damage policy is given a direct claim against the insurer.



## Better Showing for Compensation Line

(CONTINUED FROM PAGE 28)

that have built up a large compensation business would be severely jolted. They have developed their insurance structure with compensation as a big factor and if the underpinning were removed there would be serious consequences.

### Increased Automobile Loss Ratio

Last year saw a further increased loss ratio on automobile public liability which is a discouraging feature. Heretofore the profit on the property damage premiums has offset the loss on the public liability account. Last year many companies found a deficit on the automobile business as a whole. There does not seem to be any sign in the stars that brings promise of a happier day for this class which is a very important department with all companies. Automobile accidents are constantly increasing due to some very striking causes and there has been no way found to remedy the frightful record. After all many executives say that the only hope that the companies have is increased rates. They fail to see how anything could be accomplished except along the rate route. Even the specialty automobile insurance companies which have all the premium income of a single insured show a higher loss ratio on their public liability. They were able to make good the deficit and show profit through their income from other automobile coverages.

### Surety Was a Profit Maker

The surety business was a profit maker last year. Those companies that were not embarrassed by many depository bond losses and real estate bonds made a nice profit out of their surety undertakings. For the time being this department seems very inviting. The companies that are ably managed and have good surety underwriters look forward to a few years of successful achievement in this direction. Accident and health insurance also is coming into its own. Those companies that are forward looking are not slow in stimulating greater interest in their agency forces in this line. They feel that the accident and health business is now stabilized and there is an opportunity for earning a profit.

## Local Clubs Are Boosting Accident and Health Week

(CONTINUED FROM PAGE 29)

the sale of accident and health insurance, it is believed that it would materially affect the sale of such insurance during that week, as it would "make Pittsburgh accident conscious."

The Los Angeles club is getting out special posters and stickers for the use of its members, while all members of the San Francisco club are sending all their mail with a rubber stamp in red reading "National Accident & Health Week, April 15-20, 1935." They are using various bonus and sales plans to stimulate production that week. The Chicago club is imprinting all its own letterheads in red.

### Los Angeles Window Cards

The window cards prepared by the Los Angeles club, 11½ by 14 inches, are headed in big type: "99,000 Accidental Deaths in 1934. Auto Deaths 35,500. More Than 8,000,000 People Injured." They display prominently the dates for National Accident and Health Week, urge the protection of income, and add: "Advocated by Your Mayor and Your Governor." The gummed stickers, 1½ by 2 inches, printed in red on orange paper, are headed: "Protect Your Income," give the dates for the week and the signature of the club. A four-page folder is also being prepared, to contain on its first page the governor's proclamation, on the second a letter from the club to managers and assistant managers of agencies handling accident and health

business, then a buying appeal to the public, and on the back an appeal to agents to sell more accident and health business.

California clubs expect to obtain a proclamation from the governor of California. Similar proclamations have been issued for California Accident and Health Week for the past three years. The Seattle club appointed a special committee to secure action along that line from Governor Martin of Washington.

### Louisville Club's Plan

The Louisville club plans a special sales campaign with prizes for the high men, to which every agent in Kentucky selling accident and health insurance will be eligible.

The governor of Kentucky has stated that he would be glad to issue a proclamation for National Accident and Health Week and it is expected that the mayors of Louisville and other Kentucky cities will do likewise. Cooperation has been promised by the Louisville Safety Council and National Accident and Health Week will be referred to in its radio talks over station WHAS. The Louisville club plans to hold an accident and health sales congress the afternoon and evening of Saturday, April 13, and inspire agents for

an early start on their drive the following Monday.

### Seek "Wildcat" Agent

COLUMBUS, O., March 13.—The Ohio insurance department is on the lookout for an agent named "Jones," who is said to have sold an insurance policy to a resident of this city in the Fidelity Mutual Association of Minneapolis, which is not licensed in this state. Neither is "Jones" licensed as an agent in Ohio. The insurance department has been advised that the head of the organization is now serving a workhouse sentence in connection with his promotion activities.

### Chicago Sales Congress

The Chicago sales congress of the Globe Indemnity will be held at the Palmer House March 21. Luncheon will be served and the afternoon session will be closed by 4.

### Arizona Manager Dies

David C. Smith, Phoenix, Ariz., state manager in that state for the Mutual Benefit Health & Accident and United Benefit Life, died Monday. He had been with the companies about eight years, starting in the Tucson office and becoming state manager when E. B.

Brink was made manager in Detroit two years ago.

### Old Line's 25th Anniversary

The Old Line Life of Milwaukee will be 25 years old April 16. From March 16 to April 16 a special drive is being conducted for an increased volume of business in the last month of its 24th year.

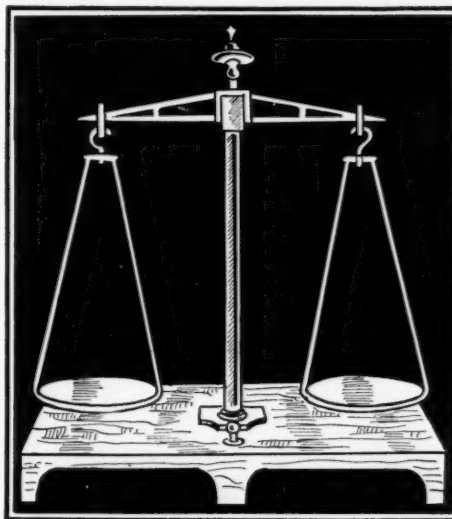
### Criticise State Fund

BOISE, IDA., March 13.—The Idaho senate state affairs committee has submitted a report to the senate asking that the management of the state compensation fund "be placed in the hands of a competent business man." The committee's report was the outcome of an investigation ordered several weeks ago. The report held that the fund has not been managed properly from the beginning.

### Schouten Surety Superintendent

J. J. Dundore, manager of the Minneapolis office of the United States Fidelity & Guaranty, has appointed C. P. Schouten superintendent of the surety department.

The Insurance Salvage Corporation, Cleveland, has been incorporated by Robert C. Dale and others.



*... is the evidence for or against you*

**IT'S** for you if you can *make good* your promise of prompt plate glass replacements when a loss occurs. At this time your assured weighs your remarks about fast service made at the time of the sale against the service he is actually receiving. Business is saved or lost during this vital period.

It is saved if the American Glass handles the replacement because this company has an established reputation for prompt and dependable service—it's this *unfailing service* that has made the American Glass the leader in the Chicago plate glass replacement field.

*Think first of American Glass for plate glass.*

**AMERICAN GLASS COMPANY**  
1030-42 N. BRANCH ST. CHICAGO

(CONTINUED ON NEXT PAGE)



## (CONT'D FROM PRECEDING PAGE)

	Premiums	Losses
Great Lakes Mut. Ins.	65,293	9,445
Great Northern Life	205,906	99,646
Great Western, Ia.	14,620	3,495
Hartford Acci.	15,930	6,033
Home Mut. Ben. Assn.	1,333	1,600
Hoosier Cas.	31,703	12,290
Ill. Mut. Cas.	85	.....
Income Guar.	73,436	38,498
Indem. N. Amer.	4,230	515
Inter-Ocean Cas.	25,523	10,121
Inter St. Bus. Men's	22,563	19,829
Inter State Reserve Life	27,569	10,752
John Hancock Mut. Life	87,412	31,620
Leoc. Eng. & C. M. P. A.	2,492	1,969
London Guar.	7,826	1,152
London & Lanc.	3,500	16,072
Loyal Prot.	77,939	41,455
Lumber Mut. Cas.	756	666
Maryland Cas.	15,256	4,567
Mass. Acci.	43,608	28,484
Mass. Bond	117,990	44,587
Mass. Indem.	12,744	2,994
Mass. Prot.	251,617	166,227
Metropolitan Cas.	9,965	4,145
Metropolitan Life	856,128	441,958
Michigan Cas.	9,510	3,453
Michigan Life	186,683	197,792
Mich. Mut. Liab.	100,369	62,123
Monarch Life	118,460	65,216
Mut. Ben. H. & A.	159,615	84,975
Natl. A. & H.	7,316	2,777
National Cas.	135,965	69,436
National L. & A.	92,128	33,884
New Amsterdam	4,457	2,090
North American Acci.	44,688	20,515
Ocean Acci.	7,061	4,611
Ohio Cas.	873	150
Ohio State Life	1,311	620
Old Line, Wis.	1,913	93
Pacific Mut. Life	147,341	35,551
Paul Revere Life	31,884	24,813
Peerless Cas.	1,188	756
Preferred Acci.	38,680	27,739
Phoenix Ind. Co.	8,167	4,356
Protective Indem.	231	60
Provident L. & A.	113,266	47,009
Prudential	81,755	27,806
Reliance Life	16,577	11,264
Royal Ind. Co.	12,757	5,912
Standard Acci.	41,445	13,612
State Farm Life	6,245	1,497
Sun Indem.	1,529	6,757
Time Ins. Co.	28,463	14,904
Title Guar. & Cas.	24,958	10,857
Travelers	576,694	346,490
United Ben. Life	437	.....
U. S. Casualty	9,750	3,100
U. S. F. & G.	21,623	17,185
Wash. Natl.	190,340	77,278
Western & South. Indem.	3,201	910
Wisconsin Natl. Life	22,927	11,448
Woodmen Acci.	41,578	29,603
Zurich	13,979	7,048
Total, 1934	\$6,157,070	\$3,451,058
Total, 1933	\$5,084,536	\$3,147,687

## LIVE STOCK

	Premiums	Losses
Car & General Ins.	891	.....
Hartford Acci. & Indem.	71	.....
Hartford L. S.	4,140	1,481
Indem. of N. Amer.	585	.....
Total, 1934	\$ 5,687	\$ 1,481
Total, 1933	\$ 2,747	\$ 522

## CREDIT

	Premiums	Losses
Amer. Credit Indem.	19,130	11,297
Employers Reins.	.....	.....
London Guar.	8,664	39
National Surety	6,337	195
Ocean Acci.	.....	231
Total, 1934	\$ 34,131	\$ 11,300
Total, 1933	\$ 41,579	\$ 24,847

## STEAM BOILER

	Premiums	Losses
Aetna Cas. & Sur.	105	.....
Amer. Employ.	5,060	605
Amer. Reins.	1,499	.....
Columbia Cas.	22,590	1,192
Continental Cas.	1,551	2
Eagle Indem.	707	85
Employers Liab.	9,327	3,152
Excess	.....	.....
Fidelity & Cas.	28,040	3,162
General Acci.	3,753	40
General Reins.	220	.....
Globe Indem.	1,284	82
Hartford S. B.	132,603	10,144
London Guar.	5,734	634
Lumbermen's Mut.	298	.....
Maryland Cas.	18,487	685
Mutual Boiler	9,243	.....
Ocean Acci.	11,605	806
Phoenix Ind. Co.	317	.....
Royal Indem.	22,061	981
Security Mut. Cas.	38	.....
Standard Acci.	794	333
Travelers Indem.	72,632	4,015
Total, 1934	\$ 347,488	\$ 25,913
Total, 1933	\$ 233,239	\$ 19,167

\*Includes engine and machinery premiums.

## ENGINE &amp; MACHINERY

	Premiums	Losses
Aetna Cas.	1,023	16
Amer. Employ.	36	73
Amer. Reins.	8,235	.....
Columbia Cas.	53,900	33,910
Continental Cas.	412	.....
Eagle Indem.	29	273
Employers Liab.	19,418	811
Excess	5	.....
Fidelity & Cas.	14,808	4,043
General Reins.	903	.....
Globe Indem.	928	481
Hartford S. B.	111,520	4,332
London Guar.	6,987	.....
Maryland Cas.	4,756	2,048
Ocean Acci.	41,587	1,017
Royal Indem.	7,393	897

## CASUALTY COMPANY STATEMENTS

**Harleysville Mut. Cas.**—Assets, \$1,396,847; inc., \$376,812; unearned prem., \$564,567; loss res., \$48,252; liab. res., \$423,048; surplus, \$356,154; dec., \$158,599. Experience on principal lines:

	Net Premiums	Losses Pd.
Auto liability	\$ 672,732	\$ 230,585
Auto prop. damage	426,442	110,420
Auto theft	29,958	6,063
Total	\$1,129,132	\$ 397,068

**New Century Cas.**—Assets, \$539,919; inc., \$37,383; unearned prem., \$164,603; loss res., \$23,846; liab. res., \$50,078; capital \$200,000; surplus, \$56,921; inc., \$2,982. Experience on principal lines:

	Net Premiums	Losses Pd.
Auto liability	\$ 61,612	\$ 49,961
Plate glass	221,560	105,161
Auto prop. damage	61,618	13,129
Auto collision	27,391	19,272
Total	\$ 372,180	\$ 187,523

**Policyholders Mutual Cas.**—Assets, \$3,308; inc., \$3,308; unearned prem., \$1,363; loss res., \$161; surplus, \$1,095; inc., \$1,095. Experience:

	Net Premiums	Losses Pd.
Accident	\$ 405	\$ 40
Health	126	25
Non-can. H. & A.	2,860	180
Total	\$ 3,392	\$ 245

**Illinois Commercial Men's**—Assets, \$1,237,424; inc., \$111,014; surplus, \$875,531; inc., \$161,700.

**Virginia Surety**—Assets, \$274,782; inc., \$3,357; unearned prem., \$3,626; loss res., \$1,780; capital, \$250,000; surplus, \$19,375; inc., \$1,866. Experience:

	Net Premiums	Losses Pd.
Fidelity	\$ 341	\$ 8
Surety	2,737	.....
Total	\$ 3,078	\$ 8

**Coast Surety, Cal.**—Assets, \$416,951; inc., \$61,511; unearned prem., \$41,587; loss res., \$26,986; capital, \$250,000; surplus, \$45,935; inc., \$5,463. Experience on principal lines:

	Net Premiums	Losses Pd.
Fidelity	\$ 68,535	\$ 45,078
Surety	51,970	.....

**Craftsman**—Assets, \$235,870; inc., \$520; unearned prem., \$27,224; loss res., \$32,894; non-can. A. & H. res., \$5,000; capital, \$100,000; surplus, \$53,454; inc., \$16,469. Experience on principal lines:

	Net Premiums	Losses Pd.
Accident & health	\$ 60,662	\$ 30,872
Non-can. H. & A.	105,444	37,625

**Michigan Mutual Liab.**—Assets, \$3,837,044; inc., \$76,936; secur. fluc. res., \$79,002; unearned prem., \$1,343,233; loss res., \$62,079; liab. res., \$324,685; comp. res., \$686,075; guar. res. fund, \$394,241; surplus, \$835,419; inc., \$152,401. Experience on principal lines:

	Net Premiums	Losses Pd.
Accident & health	\$ 102,287	\$ 62,565
Auto liability	618,313	213,119
Other liability	74,688	8,213
Workmen's comp.	1,703,406	1,019,006
Plate glass	2,580	1,332
Auto prop. damage	309,148	85,344
Auto collision	166,443	120,452
Other P. D. and coll.	3,939	1,163
Auto, fire, th. & tor.	113,210	32,078
Total	\$3,094,014	\$1,543,272

**National Masonic Provident**—Assets, \$1,033,612; inc., \$28,379; unearned prem., \$40,879; loss res., \$5,406; surplus, \$779,634. Experience:

	Net Premiums	Losses Pd.
Accident and health	\$ 109,771	\$ 35,305

**Liberty Mutual, Mass.**—Assets, \$29,750,010; inc., \$4,735,757; secur. fluc. res., \$569,328; unearned prem., \$5,901,164; loss

res., \$414,975; liab. res., \$5,238,567; comp. res., \$9,838,301; surplus, \$4,741,881; inc., \$571,524. Experience:

	Net Premiums	Losses Pd.
Accident	\$ 15,081	\$ 1,839
Auto liability	6,024,961	2,401,002
Other liability	1,600,646	529,072
Workmen's comp.	12,877,274	6,028,140
Fidelity	229,093	50,309
Plate glass	14,005	5,317
Burglary and theft	168,615	42,188
Engine and mach.	4,739	3,283
Auto prop. damage	1,513,189	458,230
Auto collision	47,422	26,808
Other P. D. and Col.	47,621	14,749
Total	\$22,543,105	\$9,560,987

**Superior Indem. Assn., Cal.**—Assets, \$180,474; unearned prem., \$39,221; loss res., \$13,073; surplus, \$68,767; inc., \$16,017. Experience:

	Net Premiums	Losses Pd.
Auto prop. damage	\$ 39,163	\$ 13,029
Auto collision	33,371	16,883
Auto fire and theft	17,216	3,381

**Peerless Cas.**—Assets, \$477,764; inc., \$34,720; unearned prem., \$60,848; loss res., \$91,858; liab. res., \$73,124; capital, \$200,000; surplus, \$115,546; inc., \$14,025. Experience:

	Net Premiums	Losses Pd.
Accident and health	\$ 177,703	\$ 83,394
Auto liability	75,448	21,479
Fidelity	7,569	.....
Surety	8,269	75
Auto prop. damage	17,394	3,369
Total	\$ 286,728	\$ 108,426

**Farmers Auto Inter-Ins. Exch., Cal.**—Assets, \$1,687,053; inc., \$315,583; un-

earned prem., \$719,292; loss res., \$105,463; liab. res., \$330,651; surplus, \$357,051; inc., \$55,776. Experience:

	Net Premiums	Losses Pd.
Auto liability	\$1,120,321	\$ 518,405
Auto prop. damage	308,902	123,450
Auto collision	480,815	258,630
Auto fire, theft and pers. accident	227,928	41,845
Total	\$2,138,566	\$ 942,330

**Butchers' Mutual Cas.**—Assets, \$516,993; inc., \$28,870; secur. fluc. res., \$16,730; unearned prem., \$126,528; liab. res., \$7,865; comp. res., \$161,113; surplus, \$177,284; dec., \$8,434. Experience:

	Net Premiums	Losses Pd.
Other liability	\$ 10,141	\$ 5,146
Workmen's comp.	307,646	156,706
Plate glass	12,385	4,118
Total	\$ 320,172	\$ 165,970

**Pacific Employers**—Assets, \$1,686,569; inc., \$367,183; unearned prem., \$194,971; loss res., \$5,852; liab. res., \$35,644; comp. res., \$806,223; capital, \$300,000; surplus, \$173,974; inc., \$12,379. Experience:

	Net Premiums	Losses Pd.
Accident and health	\$ 17,160	\$ 9,401
Auto liability	131,930	62,455
Other liability	15,696	320
Workmen's comp.	1,635,212	664,423
Auto prop. damage	40,747	12,868
Auto collision	29,362	10,769
Other auto	38,911	11,983
Total	\$1,909,018	\$ 771,584

**Essex Fidelity & Plate Glass**—Assets, \$218,057; dec., \$17,073; unearned prem., \$13,056; loss res., \$300; capital, \$150,000; surplus, \$52,611; dec., \$20,231. Experience:

	Net Premiums	Losses Pd.
Plate glass	\$ 22,853	\$ 5,604

**Illinois Agricultural Mut.**—Assets, \$1,148,734; inc., \$157,939; unearned prem.,

1915

1935

## ECONOMY AUTO INSURANCE COMPANY

(All That the Name Implies)

A New Stock Casualty Company With a Twenty  
Year Experienced Management

Automobile Coverage Exclusively—Standard Policies  
Economy Auto Insurance Company—Freeport, Illinois

(Contracts Available to Illinois Agents)

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for Salesmen in  
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INSURANCE COMPANY • 209 SO. LA SALLE STREET  
CHICAGO



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to WASTE**

That's true with most people who visit New York. . . It's certainly true of guests of the McAlpin, who appreciate the ultra-convenient location of this fine hotel. They also enjoy, of course, the comfort and the friendly, helpful service . . . not to mention the economy of the McAlpin. Why don't you, too, make the McAlpin your headquarters in New York?

Single from \$2.50 Double from \$4.00 Twin-Bedded from \$4.50

**HOTEL McALPIN**

"The Centre of Convenience"

BROADWAY AT 34th STREET

\$296,326; loss res., \$71,414; liab. res., \$165,493; surplus, \$577,639; inc., \$90,921. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$145,427	\$92,075
Employers' liability .....	13,483	2,942
Theft, fire and wind .....	62,780	16,280
Auto prop. damage .....	67,554	35,124
Auto collision .....	167,026	97,776
Livestock .....	1,999	1,218
Total .....	\$458,270	\$245,414

**Protective Indem.**—Assets, \$1,477,602; inc., \$25,137; secur. fluc. res., \$13,489; unearned prem., \$122,495; loss res., \$12,616; liab. res., \$103,618; capital, \$500,000; surplus, \$620,305; inc., \$109,986. Experience:

	Net Prems.	Losses Pd.
Accident and health .....	\$8,531	\$4,997
Auto liability .....	120,297	70,891
Plate glass .....	16,813	4,645
Burglary and theft .....	77,475	19,605
Auto prop. damage .....	27,757	9,258
Total .....	\$261,651	\$109,562

**Central Assur., O.**—Assets, \$195,316; inc., \$15,539; unearned prem., \$15,847; loss res., \$8,612; surplus, \$168,385; inc., \$19,244. Experience:

	Net Prems.	Losses Pd.
Accident and health .....	\$138,646	\$50,757

**Preferred Accident**—Assets, \$6,487,865; dec., \$250,133; secur. fluc. res., \$150,000; unearned prem., \$1,313,559; loss res., \$922,216; liab. res., \$1,433,884; comp. res., \$1,433,884.

An old established Class One Agent is desirous of changing their connection for Fidelity & Surety business in Chicago. Want Company which can pass on business in Chicago without submission to Home Office in distant Cities.

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SAINT LOUIS  
recommends  
**Hotel Mayfair**  
9th and St. Charles

In the  
Center of the Business, Theatre and Shopping District.

400 ROOMS \$250 UP

CHARLES  
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Three  
FAMOUS RESTAURANTS  
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GARAGE SERVICE

**HOTEL SAVANNAH**  
300 FIREPROOF ROOMS  
- 3 RESTAURANTS -  
Near Everything Worthwhile in  
SAVANNAH, GEORGIA.  
ANDREW A. SMITH - MGR.

\$13; capital, \$875,000; surplus, \$1,484,673; inc., \$239,673. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$610,472	\$310,560
Health .....	73,416	39,042
Auto liability .....	1,708,606	896,535
Other liability .....	9,256	803
Fidelity .....	82,714	22,751
Surety .....	3,170	151,627
Plate glass .....	25,361	3,337
Burglary and theft .....	232,454	48,718
Auto prop. damage .....	458,758	137,118
Auto collision .....	34,211	14,671
Total .....	\$3,239,303	\$1,625,178

**Capital Mutual Cas.**—Assets, \$239,719; inc., \$194,540; secur. fluc. res., \$50,000; unearned prem., \$27,994; loss res., \$3,338; liab. res., \$20,063; surplus, \$137,822; inc., \$119,740. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$42,657	\$7,802
Auto theft .....	5,965	2,638
Auto prop. damage .....	12,147	3,192
Auto collision .....	9,966	7,422
Fire .....	4,942	1,255
Total .....	\$76,492	\$23,261

**Lumber Mutual Cas., N. Y.**—Assets, \$1,777,018; dec., \$36,965; unearned prem., \$223,912; loss res., \$23,454; liab. res., \$152,306; comp. res., \$849,094; surplus, \$423,315; dec., \$6,411. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$132,095	\$131,451
Other liability .....	45,488	15,406
Workmen's comp. .....	586,087	318,406
Auto prop. damage .....	51,637	24,756
Auto collision .....	2,518	652
Other P. D. and Col. .....	10,097	360
Total .....	\$827,922	\$491,031

**United Auto, Mich.**—Assets, \$263,044; inc., \$25,353; unearned prem., \$85,067; loss res., \$44,567; additional res., \$11,136; capital, \$100,000; surplus, \$22,275; inc., \$1,248. Experience:

	Net Prems.	Losses Pd.
Total auto .....	\$213,114	\$91,060

**Federal Life & Cas.**—Assets, \$784,873; inc., \$20,429; secur. fluc. res., \$15,000; unearned prem., \$82,995; loss res., \$71,865; capital, \$450,000; surplus, \$125,461; inc., \$2,300. Experience:

	Net Prems.	Losses Pd.
Accident and health .....	\$670,631	\$234,361

**Utilities Mut., N. Y.**—Assets, \$4,465,777; inc., \$191,300; unearned prem., \$9,702; liab. res., \$14,169; comp. res., \$2,514,934; surplus, \$1,689,421; dec., \$1,256. Experience:

	Net Prems.	Losses Pd.
Workmen's comp. .....	\$863,228	\$451,397

**Manuf. & Whole. Indem. Exch., Colo.**—Assets, \$250,367; inc., \$2,447; unearned prem., \$61,262; loss res., \$1,259; liability res., \$11,850; surplus, \$171,870; inc., \$1,587. Experience:

	Net Prems.	Losses Pd.
Auto tornado .....	613	457
Auto fire .....	10,656	5,036
Auto theft .....	8,176	2,984
Auto liability .....	101,387	28,118
Auto prop. damage .....	37,356	8,194
Auto collision .....	9,416	2,978
Total .....	\$167,606	\$47,770

**Traders & General**—Assets, \$1,256,528; inc., \$482,992; secur. fluc. res., \$34,240; unearned prem., \$277,900; loss res., \$18,275; liab. res., \$85,539; comp. res., \$322,681; capital, \$250,000; surplus, \$216,162; inc., \$114,492. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$215,283	\$79,721
Other liability .....	113,946	2,497
Workmen's comp. .....	893,838	467,772
Auto theft .....	5,433	1,710
Other auto .....	3,728	255
Plate glass .....	2,639	1,130
Burglary and theft .....	1,249	.....
Auto fire .....	11,814	2,409
Auto prop. damage .....	83,410	25,887
Auto collision .....	9,892	7,751
Other P. D. and Col. .....	6,938	152
Total .....	\$1,348,630	\$590,326

**Calif. Indem. Exch.**—Assets, \$2,005,804; inc., \$297,981; unearned prem., \$162,337; loss res., \$815,625; surplus, \$600,452; inc., \$32,035. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$190,360	\$58,357
Other liability .....	13,202	953
Workmen's comp. .....	756,909	327,110
Auto prop. damage .....	50,647	14,447
Auto collision .....	27,932	8,111
Auto fire and theft .....	17,436	2,484
Total .....	\$1,056,488	\$411,461

**Excess**—Assets, \$5,281,474; inc., \$219,261; secur. fluc. res., \$50,000; unearned prem., \$1,102,093; loss res., \$229,407; liab. res., \$1,106,064; comp. res., \$171,243;

capital, \$750,020; surplus, \$1,018,257; inc., \$98,429. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$6,433	\$6,901
Health .....	1,553	675
Auto liability .....	1,587,628	707,897
Other liability .....	325,302	103,928
Workmen's comp. .....	216,389	91,511
Fidelity .....	37,471	16,307
Surety .....	190,020	178,175
Burglary and theft .....	45,061	9,534
Steam boiler .....	9,575	25,401
Engine and mach. ....	33,642	.....
Auto prop. damage .....	303,336	100,982
Auto collision .....	5,826	4,147
Other P. D. and coll. ....	33,159	5,257
Total .....	\$2,795,445	\$1,240,201

**Standard Mutual Cas., Ill.**—Assets, \$218,573; dec., \$5,577; unearned prem., \$32,031; loss res., \$1,576; liab. res., \$19,530; surplus, \$159,186; inc., \$1,794. Experience on principal lines:

	Net Prems.	Losses Pd.
Auto liability .....	\$33,579	\$20,767
Burglary and theft .....	10,348	2,350
Auto prop. damage .....	18,081	4,525
Auto collision .....	6,920	3,837
Total .....	\$69,684	\$31,939

**Allied Mut., Mo.**—Assets, \$150,382; inc., \$9,976; unearned prem., \$50,272; loss res., \$15,890; surplus, \$72,775; inc., \$10,056. Experience on principal lines:

	Net Prems.	Losses Pd.
Auto liability .....	\$3,272	\$.....
Fidelity .....	58,681	10,684
Plate glass .....	37,710	21,851
Burglary and theft .....	36,175	5,557
Auto prop. damage .....	1,042	88
Auto, other .....	1,554	117
Total .....	\$139,035	\$38,558

**Minn. Farmers Mut. Cas.**—Assets, \$142,994; inc., \$22,748; unearned prem., \$38,793; loss res., \$1,711; liab. res., \$21,250; surplus, \$80,025; inc., \$7,960. Experience:

	Net Prems.	Losses Pd.
Fire and theft .....	\$13,057	\$4,138
Auto liability .....	38,599	22,956
Auto prop. damage .....	18,287	4,605
Auto collision .....	7,958	5,052
Total .....	\$77,901	\$36,751

**Service Mutual Liability**—Assets, \$321,427; dec., \$1,813; unearned prem., \$29,129; loss res., \$3,225; liab. res., \$88,845; comp. res., \$195,105; surplus, \$1,278; dec., \$3,842. Experience on principal lines:

	Net Prems.	Losses Pd.
Auto liability .....	\$98,067	\$73,965
Other liability .....	3,277	1,890
Workmen's comp. ....	198,267	205,756
Auto prop. damage .....	20,636	11,876
Total .....	\$320,567	\$293,488

**International Fidelity, N. J.**—Assets, \$1,908,686; inc., \$96,995; unearned prem., \$46,819; loss res., \$21,987; capital, \$300,000; surplus, \$1,523,186; inc., \$97,374; Experience:

	Net Prems.	Losses Pd.
Fidelity .....	\$87,652	\$16,615
Surety .....	7,001	.....

**Erie Ins. Exch., Pa.**—Assets, \$281,401; inc., \$19,586; unearned prem. res., \$100,357; loss res., \$16,789; liab. res., \$58,070; surplus, \$92,926; dec., \$7,713. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$187,073	\$70,376
Auto prop. damage .....	82,321	26,086
Auto collision .....	13,272	6,631
Auto fire and theft and misc. ....	21,003	7,981
Total .....	\$303,670	\$111,075

**Atlantic, Tex.**—Assets, \$640,113; inc., \$77,904; unearned prem., \$39,426; loss res., \$8,249; liab. res., \$66,803; capital, \$200,000; surplus, \$228,353; inc., \$41,098. Experience on principal lines:

	Net Prems.	Losses Pd.
Auto liability .....	\$134,752	\$39,102
Other liability .....	1,040	355
Plate glass .....	2,428	506
Auto prop. damage .....	46,351	14,214
Auto collision .....	2,855	2,856
Total .....	\$192,046	\$58,080

**Industrial Indem. Exch.**—Assets, \$650,928; inc., \$373,289; comp. res., \$239,221; surplus, \$376,926; inc., \$213,450. Experience on principal lines:

	Net Prems.	Losses Pd.
Workmen's comp. ....	\$661,099	\$244,217
Total .....	\$661,099	\$244,217

**Continental Casualty**—Assets, \$21,717,779; inc., \$1,114,260; secur. fluc. res., \$500,000; unearned prem., \$6,032,829; loss res., \$4,481,946; liab. res., \$2,297,883; comp. res., \$986,141; non-can. A. & H. res., \$1,269,054; capital, \$1,750,000; sur-

## Oklahoma Agents in Mid-Year Meet

(CONTINUED FROM PAGE 3)

while eliminating all possible undesirable features. It is a badly-needed compromise bill which it is hoped will be passed at this session. H. A. Gothard, Oklahoma City, representing the Associated Industries of Oklahoma, which is actively backing the measure, urged the insurance men to cooperate with his organization in obtaining signatures to petitions calling for passage of the measure.

### Pearce Gives Talk

"Has Stock Insurance a Permanent Place in the Insurance Business of the Future?" was discussed by J. Stewart Pearce, Tulsa. He pointed out the trend toward purchase of insurance by large concerns and groups on virtually a wholesale scale, and told of the effect this has upon insurance men and their business. Mr. Pearce said one of the outstanding needs of the insurance business today is for companies and agents to be able to meet upon common ground and discuss their mutual problems in a true spirit of give and take for the best interests of all concerned. He deplored as "extremely dangerous" the practice of mixed representation of both stock and mutual companies.

An open forum discussion followed a talk by Fred Daniels of Tulsa on "Stock vs. Mutual Policies in Automobile Liability Insurance."

In his welcome Mayor T. A. Penny of Tulsa declared that abuse of the jury system is greatly responsible for high liability insurance rates.

### Must Use Judgment

The automobile claim situation in Kansas City brings up the question of nuisance claims. The report of the chamber of commerce committee there asked the insurance companies to fight questionable claims rather than settle them on their nuisance value. Claims attorneys say that it is inadvisable to draw any hard and fast line regarding the nuisance claims. It is admitted that the companies have been at fault in settling the claims on their nuisance value because it only encourages more suits. One large canning company allowed its attorneys to settle any products liability claim below \$50 just to get rid of it and it soon found it had a great many on its hands. It therefore reversed its attitude and fights every one. However, there are some cases that involved controversial facts and it pays the claim men to settle such cases if possible for a low amount rather than take a chance of getting stuck by a jury.

plus, \$2,725,274; inc., \$260,287. Experience on principal lines:

	Net Prems.	Losses Pd.
Accident .....	\$2,552,147	\$1,048,855
Health .....	1,876,676	831,118
Non-can. H. & A. ....	837,667	834,555
Auto liability .....	3,118,570	1,445,936
Workmen's comp. ....	1,810,505	954,256
Other liability .....	1,218,441	425,773
Fidelity .....	454,018	122,191
Surety .....	871,604	218,315
Plate glass .....	245,583	102,248
Burglary and theft .....	389,669	132,731
Steam boiler .....	48,850	2,317
Engine and mach. ....	7,137	1,400
Auto prop. damage .....	977,922	316,924
Auto collision .....	57,392	30,156
Other P. D. and coll. ....	48,767	4,162
Other lines .....	25,106	35,632
Total .....	\$14,540,154	\$6,506,569

**Ameriann States**—Assets, \$1,250,474; inc., \$227,435; unearned prem., \$471,361; loss res., \$63,186; liab. res., \$213,501; capital, \$200,000; surplus, \$209,500; inc., \$30,614. Experience on principal lines:

	Net Prems.	Losses Pd.
Auto windstorm .....	\$8,496	\$1,431
Auto fire .....	61,931	8,590
Auto theft .....	59,560	17,491
Auto liability .....	471,505	172,494
Auto prop. damage .....	249,304	42,570
Auto collision .....	194,961	108,580
Total .....	\$1,045,759	\$351,159



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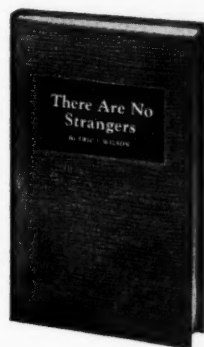
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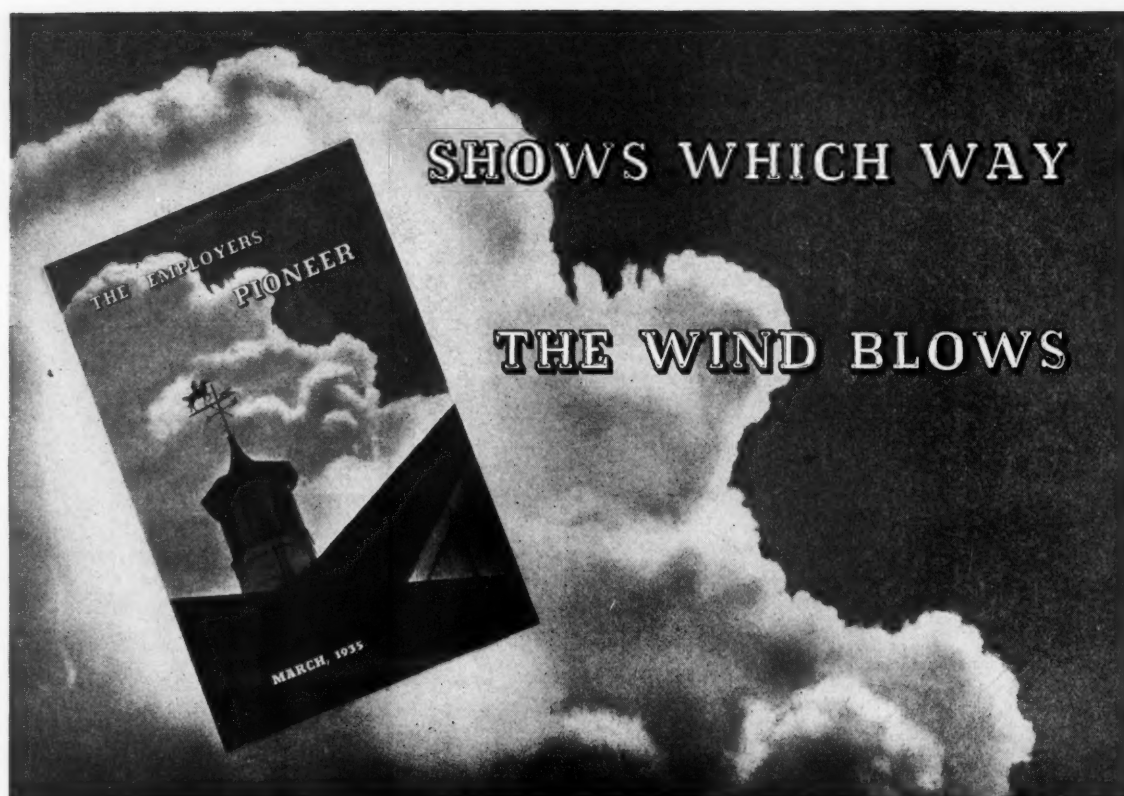
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